

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

No securities will be allotted or issued based on this Abridged Prospectus after 6 months from the date of this Abridged Prospectus.

THIS ABRIDGED PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENTS OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, PLEASE CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

All enquiries concerning the Rights Issue with Warrants should be addressed to our Share Registrar, ShareWorks Sdn Bhd at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur (Tel. No. 03-6201 1120).

The Abridged Prospectus, together with the NPA and RSF (collectively, the "**Documents**") are only despatched to the Entitled Shareholders whose names appear in our Record of Depositors and who have provided our Share Registrar with a registered address in Malaysia not later than 5.00 p.m. on Wednesday, 31 January 2024. The Documents are not intended to be (and will not be) issued, circulated or distributed in countries or jurisdictions other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdiction other than the laws of Malaysia. Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) who are residents in countries or jurisdiction other than Malaysia should therefore immediately consult their legal advisers and/ or other professional advisers as to whether the acceptance and/ or renunciation (as the case may be) of all or any part of their entitlements to the Rights Issue with Warrants would result in a contravention of any laws of such countries or jurisdictions. Such Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) should note the additional terms and restrictions as set out in Section 10.11 of this Abridged Prospectus. Neither we, UOBKH nor any other professional advisers shall accept any responsibility or liability in the event that any acceptance and/ or renunciation (as the case may be) of the entitlements to the Rights Issue with Warrants made by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) is or shall become illegal, unenforceable, voidable or void in such countries or jurisdictions.

This Abridged Prospectus has been registered by Bursa Securities. The registration of this Abridged Prospectus should not be taken to indicate that Bursa Securities recommends the Rights Issue with Warrants or assumes responsibility for the correctness of any statement made, opinion expressed or report contained in this Abridged Prospectus. Bursa Securities has not, in any way, considered the merits of the Rights Issue with Warrants. A copy of the Documents has also been lodged with the Registrar of Companies who takes no responsibility for the contents of the Documents.

The approval from our shareholders for the Rights Issue with Warrants was obtained at our EGM held on 17 October 2023. Approval has been obtained from Bursa Securities via its letter dated 8 September 2023 for the admission of the Warrants B to the Official List of Bursa Securities, the listing and quotation of the Rights Shares, Warrants B and the new Shares to be issued pursuant to the exercise of Warrants B pursuant to the Rights Issue with Warrants on the ACE Market of Bursa Securities. However, this is not an indication that Bursa Securities recommends the Rights Issue with Warrants, and shall not be taken as an indication of the merits of the Rights Issue with Warrants. Bursa Securities does not take any responsibility for the correctness of statements made or opinions expressed in this Abridged Prospectus. The listing and quotation of all the said new securities will commence after, amongst others, the receipt of confirmation from Bursa Depository that all the CDS Accounts of our successful Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) have been duly credited and notices of allotment have been despatched to them.

Bursa Securities is not liable for any non-disclosure on our part and takes no responsibility for the contents of this Abridged Prospectus, makes no representation as to its accuracy or completeness, and expressly disclaims any liability for any loss you may suffer arising from or in reliance upon the whole or any part of the contents of this Abridged Prospectus.

FOR INFORMATION CONCERNING RISK FACTORS WHICH YOU SHOULD CONSIDER, PLEASE REFER TO SECTION 6 OF THIS ABRIDGED PROSPECTUS.



FAST ENERGY HOLDINGS BERHAD

(Registration No.: 200401009317 (647820-D))

(Incorporated in Malaysia)

RENOUNCEABLE RIGHTS ISSUE OF UP TO 242,192,937 NEW ORDINARY SHARES IN FAST ENERGY HOLDINGS BERHAD ("FEHB" OR THE "COMPANY") ("FEHB SHARE(S)" OR "SHARE(S)") ("RIGHTS SHARE(S)") AT THE ISSUE PRICE OF RM0.09 PER RIGHTS SHARE, ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 EXISTING FEHB SHARE HELD, TOGETHER WITH UP TO 121,096,468 FREE DETACHABLE WARRANTS IN FEHB ("WARRANT(S) B") ON THE BASIS OF 1 WARRANT B FOR EVERY 2 RIGHTS SHARES SUBSCRIBED FOR, AS AT 5.00 P.M. ON WEDNESDAY, 31 JANUARY 2024 ("RIGHTS ISSUE WITH WARRANTS")

Principal Adviser

UOBKayHian

UOB Kay Hian Securities (M) Sdn Bhd

Registration No. 199001003423 (194990-K)

(A Participating Organisation of Bursa Malaysia Securities Berhad)

IMPORTANT RELEVANT DATES AND TIME:-

| | |
|--|--|
| Entitlement Date | : Wednesday, 31 January 2024 at 5.00 p.m. |
| Last date and time for sale of provisional allotment of rights | : Wednesday, 14 February 2024 at 5.00 p.m. |
| Last date and time for transfer of provisional allotment of rights | : Friday, 16 February 2024 at 4.30 p.m. |
| Last date and time for acceptance and payment | : Thursday, 22 February 2024 at 5.00 p.m. |
| Last date and time for excess application and payment | : Thursday, 22 February 2024 at 5.00 p.m. |

This Abridged Prospectus is dated 31 January 2024

All terms and abbreviations used herein shall have the same meanings as those defined in the "Definitions" section of this Abridged Prospectus unless stated otherwise.

RESPONSIBILITY STATEMENTS

OUR DIRECTORS HAVE SEEN AND APPROVED ALL THE DOCUMENTATION RELATING TO THE RIGHTS ISSUE WITH WARRANTS. THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION. HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THEY CONFIRM THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS WHICH IF OMITTED, WOULD MAKE ANY STATEMENT IN THIS ABRIDGED PROSPECTUS FALSE OR MISLEADING.

UOBKH, BEING OUR PRINCIPAL ADVISER FOR THE RIGHTS ISSUE WITH WARRANTS, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS ABRIDGED PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE RIGHTS ISSUE WITH WARRANTS.

OTHER STATEMENTS

YOU SHOULD NOTE THAT YOU MAY SEEK RECOURSE UNDER SECTIONS 248, 249 AND 357 OF THE CMSA FOR BREACHES OF SECURITIES LAWS INCLUDING ANY STATEMENT IN THIS ABRIDGED PROSPECTUS THAT IS FALSE, MISLEADING, OR FROM WHICH THERE IS A MATERIAL OMISSION; OR FOR ANY MISLEADING OR DECEPTIVE ACT IN RELATION TO THIS ABRIDGED PROSPECTUS OR THE CONDUCT OF ANY OTHER PERSON IN RELATION TO OUR COMPANY.

SECURITIES ARE OFFERED TO THE PUBLIC ON THE PREMISE OF FULL AND ACCURATE DISCLOSURE OF ALL MATERIAL INFORMATION CONCERNING THE RIGHTS ISSUE WITH WARRANTS, FOR WHICH ANY PERSON SET OUT IN SECTION 236 OF THE CMSA, E.G. DIRECTORS AND ADVISERS, IS RESPONSIBLE.

THE DISTRIBUTION OF THE DOCUMENTS IS SUBJECT TO MALAYSIAN LAWS. WE AND OUR ADVISERS ARE NOT RESPONSIBLE FOR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE MALAYSIA. WE AND OUR ADVISERS HAVE NOT TAKEN ANY ACTION TO PERMIT AN OFFERING OF OUR SECURITIES BASED ON THE DOCUMENTS OR THE DISTRIBUTION OF THE DOCUMENTS OUTSIDE OF MALAYSIA. THE DOCUMENTS MAY NOT BE USED FOR AN OFFER TO SELL OR AN INVITATION TO BUY OUR SECURITIES IN ANY COUNTRY OR JURISDICTION OTHER THAN MALAYSIA. WE AND OUR ADVISERS REQUIRE YOU TO INFORM YOURSELF OF SUCH RESTRICTIONS AND TO OBSERVE THEM.

THE DOCUMENTS HAVE BEEN PREPARED AND PUBLISHED SOLELY FOR THE RIGHTS ISSUE WITH WARRANTS UNDER THE LAWS OF MALAYSIA. WE AND OUR ADVISERS HAVE NOT AUTHORISED ANYONE TO PROVIDE YOU WITH INFORMATION WHICH IS NOT CONTAINED IN THESE DOCUMENTS.

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Abridged Prospectus:-

| | |
|---------------------------------|--|
| "Abridged Prospectus" | : This abridged prospectus dated 31 January 2024 in relation to the Rights Issue with Warrants |
| "Act" | : The Companies Act 2016 |
| "Additional Undertaking" | : Irrevocable and unconditional additional undertaking provided by the Undertaking Shareholder vide his letter dated 7 June 2023 to subscribe for part of the Rights Shares that remain unsubscribed by the Entitled Shareholders and/ or their renouncee(s) via the Excess Application if required, to the extent that the proceeds to be raised from the subscription of Rights Shares under the Rights Issue with Warrants achieves the minimum amount of RM2,000,000 |
| "Additional Warrants A" | : Additional Warrants A to be issued arising from the adjustments pursuant to the Rights Issue with Warrants |
| "Bloomberg" | : Bloomberg Finance Singapore L.P. |
| "Board" | : Our Board of Directors |
| "Bursa Depository" | : Bursa Malaysia Depository Sdn Bhd (Registration No. 198701006854 (165570-W)) |
| "Bursa Securities" | : Bursa Malaysia Securities Berhad (Registration No. 200301033577 (635998-W)) |
| "CDS" | : Central Depository System |
| "CDS Account" | : A securities account established by Bursa Depository for a depositor pursuant to the SICDA and the Rules of Bursa Depository for the recording of deposits of securities and for dealings in such securities by the depositor |
| "Closing Date" | : Thursday, 22 February 2024 at 5.00 p.m., being the last date and time for the acceptance of and payment for the Provisional Rights Shares with Warrants B and the application and payment for the Excess Rights Shares with Warrants B |
| "CMSA" | : Capital Markets and Services Act 2007 of Malaysia |
| "Code" | : Malaysian Code on Take-overs and Mergers 2016 |
| "Consumer Electronics Business" | : Wholesale, distribution and retail of consumer electronic goods |
| "Corporate Exercises" | : Diversification and Rights Issue with Warrants, collectively |
| "Deed Poll A" | : The deed poll dated 28 October 2021 executed by FEHB constituting the Warrants A |
| "Deed Poll B" | : The deed poll dated 16 January 2024 constituting the Warrants B, of which each Warrant B provides the right to the holder of the Warrants B to subscribe for 1 new FEHB Share during the 5 year exercise period of the Warrants B at the exercise price of RM0.09 per Warrant B |
| "Director(s)" | : The director(s) of our Company and shall have the meaning given in Section 2(1) of the CMSA |

DEFINITIONS (CONT'D)

| | | |
|--|---|---|
| "Diversification" | : | Diversification of the existing principal activities of FEHB Group to include the wholesale, distribution and retail of consumer electronic goods. The Diversification was approved by the shareholders of our Company during the EGM convened on 17 October 2023 |
| "Documents" | : | This Abridged Prospectus together with the NPA and RSF, collectively |
| "EGM" | : | Extraordinary General Meeting of our Company held on 17 October 2023 |
| "Entitled Shareholder(s)" | : | Our shareholders whose names appear in the Record of Depositors of our Company on the Entitlement Date |
| "Entitlement Date" | : | At 5.00 p.m. on Wednesday, 31 January 2024, being the time and date on which the names of our shareholders must appear in the Record of Depositors in order to be entitled to participate in the Rights Issue with Warrants |
| "EPS/ (LPS)" | : | Earnings per share/ (Loss) per share |
| "ESOS" | : | Employees' share option scheme |
| "Excess Application" | : | Application for Excess Rights Shares with Warrants B as set out in Section 10.8 of this Abridged Prospectus |
| "Excess Rights Shares with Warrants B" | : | Rights Shares with Warrants B which are not taken up or not validly taken up by the Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) by the Closing Date |
| "FEHB" or our "Company" | : | Fast Energy Holdings Berhad (Registration No. 200401009317 (647820-D)) |
| "FEHB Group" or our "Group" | : | FEHB and its subsidiaries, collectively |
| "FEHB Share(s)" or "Share(s)" | : | Ordinary share(s) in FEHB |
| "Foreign Entitled Shareholder(s)" | : | Entitled Shareholder(s) who have not provided an address in Malaysia for the service of documents to be issued for the purpose of the Rights Issue with Warrants |
| "FPE" | : | Financial period ended |
| "FTSB" | : | Fast Technology Sdn Bhd (Registration No. 202301004570 (1498489-K)) |
| "FYE" | : | Financial year ended/ ending |
| "Issue Price" | : | The issue price of the Rights Shares of RM0.09 per Rights Share |
| "Listing Requirements" | : | ACE Market Listing Requirements of Bursa Securities |
| "LPD" | : | 12 January 2024, being the latest practicable date prior to the printing of this Abridged Prospectus |
| "LTD" | : | 12 January 2024, being the last market day immediately preceding the Price-Fixing Date |

DEFINITIONS (CONT'D)

| | | |
|--|---|--|
| "Market Day" | : | A day on which Bursa Securities stock market is open for trading in securities, which may include a surprise holiday* |
| | | *A "surprise holiday" refers to a day declared as a public holiday in the Federal Territory of Kuala Lumpur that has not been gazetted as a public holiday at the beginning of the calendar year |
| "Maximum Scenario" | : | Assuming all the Warrants A and ESOS options are granted and exercised prior to the Entitlement Date and the Rights Issue with Warrants is fully subscribed by all the Entitled Shareholders |
| "Maximum Additional Warrants A Scenario" | : | Assuming none of the existing Warrants A are exercised and no ESOS options are granted and exercised prior to the Entitlement Date and the Rights Issue with Warrants is fully subscribed by Entitled Shareholders. For the avoidance of doubt, this scenario only applies to Section 8.4 of this Abridged Prospectus |
| "Minimum Scenario" | : | Assuming none of the Warrants A are exercised and no ESOS options are granted and exercised prior to the Entitlement Date and the Rights Issue with Warrants is undertaken on the Minimum Subscription Level |
| "Minimum Subscription Level" | : | The minimum level of funds our Company intends to raise from the Rights Issue with Warrants amounting to RM2,000,000 |
| "NA" | : | Net assets attributable to the owners of our Company |
| "NPA" | : | Notice of provisional allotment of Rights Shares with Warrants B pursuant to the Rights Issue with Warrants |
| "Official List" | : | A list specifying all securities listed on the ACE Market of Bursa Securities |
| "PAT/ (LAT)" | : | Profit/ (Loss) after taxation |
| "PBT/ (LBT)" | : | Profit/ (Loss) before taxation |
| "Petroleum Trading Business" | : | Provision of oil bunkering services, vessel chartering and trading of petroleum |
| "Price-Fixing Date" | : | 15 January 2024, being the date on which our Board fixed the Issue Price and the exercise price of the Warrants B |
| "Protégé" or the "Independent Market Researcher" | : | Protégé Associates Sdn Bhd (Registration No. 200401037256 (675767-H)) |
| "Provisional Rights Shares with Warrants B" | : | Rights Shares with Warrants B provisionally allotted to the Entitled Shareholders |
| "Record of Depositors" | : | A record of security holders provided by Bursa Depository to our Company under Chapter 24.0 of the Rules of Bursa Depository |
| "Rights Issue with Warrants" | : | Renounceable rights issue of up to 242,192,937 Rights Shares at the issue price of RM0.09 per Rights Share, on the basis of 1 Rights Share for every 1 existing FEHB Shares held, together with up to 121,096,468 Warrants B on the basis of 1 Warrant B for every 2 Rights Shares subscribed for, on the Entitlement Date |
| "Rights Share(s)" | : | Up to 242,192,937 new FEHB Shares to be issued at the Issue Price pursuant to the Rights Issue with Warrants |

DEFINITIONS (CONT'D)

| | | |
|------------------------------------|---|---|
| "RM" and "sen" | : | Ringgit Malaysia and sen, respectively |
| "RSF" | : | Rights Subscription Form in relation to the Rights Issue with Warrants |
| "Rules" | : | Rules on Take-overs, Mergers and Compulsory Acquisitions |
| "Rules of Bursa Depository" | : | The Rules of Bursa Depository as issued pursuant to the SICDA |
| "SC" | : | Securities Commission Malaysia |
| "Share Registrar" | : | ShareWorks Sdn Bhd (Registration No. 199101019611 (229948-U)) |
| "SICDA" | : | Securities Industry (Central Depository) Act 1991 |
| "TERP" | : | Theoretical ex-rights price of FEHB Shares |
| "Undertaking" | : | Irrevocable and unconditional undertaking provided by the Undertaking Shareholder vide his letter dated 7 June 2023 as set out in Section 3 of this Abridged Prospectus |
| "Undertaking Shareholder" | : | Tan Wye Chuan, the Executive Director of our Company |
| "UOBKH" or the "Principal Adviser" | : | UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K)) |
| "VWAP" | : | Volume weighted average market price |
| "Warrant(s) A" | : | 14,532,219 outstanding warrants 2021/2026 in our Company as at the LPD, constituted by the Deed Poll A. Each Warrant A carries the entitlement to subscribe for 1 new FEHB Share during the 5-year exercise period up to 11 December 2026 at the exercise price of RM0.90 per Warrant A |
| "Warrant(s) B" | : | Up to 121,096,468 free detachable warrants in FEHB with a tenure of 5 years to be issued pursuant to the Rights Issue with Warrants |

All references to "our Company" in this Abridged Prospectus are to FEHB and all references to "our Group" are to our Company and subsidiary collectively. All references to "we", "us", "our" and "ourselves" are to our Company, and where the context requires otherwise, shall include our subsidiaries. All references to "you" and "your" in this Abridged Prospectus are made to the Entitled Shareholders and/ or, where the context otherwise requires, their renouncee(s) and/ or transferee(s) (if applicable).

Words incorporating the singular shall, where applicable include the plural and vice versa. Words incorporating the masculine gender shall where applicable, include the feminine and neuter genders and vice versa. Any reference to persons shall include a corporation, unless otherwise specified.

Unless otherwise stated and wherever applicable, the amounts represented in this Abridged Prospectus have been rounded to the nearest whole cent, for ease of reference.

Any reference in this Abridged Prospectus to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of day in this Abridged Prospectus shall be a reference to Malaysian time, unless otherwise specified.

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ADVISERS' DIRECTORY

- COMPANY SECRETARY** : Tan Tong Lang
MAICSA 7045482
SSM PC No. 202208000250

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur

Tel. No.: +603-9770 2200
Fax. No.: +603-9770 2239
- PRINCIPAL ADVISER** : UOB Kay Hian Securities (M) Sdn Bhd

Suite 19-03, 19th Floor
Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur

Tel. No.: +603-2147 1900
Fax. No.: +603-2147 1950
- DUE DILIGENCE SOLICITORS** : Messrs Lin Partnership

Unit 821, 8th Floor, Block A, Lift lobby 6,
Damansara Intan, No. 1 Jalan SS20/27,
47400 Petaling Jaya, Selangor Darul Ehsan

Tel. No.: +603-7710 0388
Fax. No.: +603-7731 0288
- SHARE REGISTRAR** : ShareWorks Sdn Bhd

No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas, 50480 Kuala Lumpur

Tel. No.: +603-6201 1120
Fax. No.: +603-6201 3121
- INDEPENDENT RESEARCHER** **MARKET** : Protégé Associates Sdn Bhd

Suite C-09-12, Plaza
2, Jalan Kiara, Mont Kiara
50480 Kuala Lumpur

Tel. No.: +603-6201 9301
Fax. No.: +603-6201 7302

Person-in-charge: Seow Cheow Seng
Qualification: Master in Business Administration
 from Charles Sturt University,
 Australia and Bachelor of Business
 majoring in Marketing from RMIT
 University, Australia
- STOCK EXCHANGE LISTING** : ACE Market of Bursa Securities

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS

THIS SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS ONLY HIGHLIGHTS THE KEY INFORMATION FROM OTHER PARTS OF THIS ABRIDGED PROSPECTUS. IT DOES NOT CONTAIN ALL INFORMATION THAT MAY BE IMPORTANT TO YOU. YOU SHOULD READ AND UNDERSTAND THE CONTENTS OF THE WHOLE ABRIDGED PROSPECTUS.

Key information

Summary

Basis of allotment and number of Rights Shares and Warrants B to be issued pursuant to the Rights Issue with Warrants : The Rights Issue with Warrants entails an issuance of up to 242,192,937 Rights Shares on the basis of 1 Rights Share for every 1 existing FEHB Shares held, together with up to 121,096,468 Warrants B on the basis of 1 Warrant B for every 2 Rights Shares subscribed for by the Entitled Shareholders on the Entitlement Date.

The Rights Shares with Warrants B which are not taken up or validly taken up shall be made available for Excess Application. Our Board intends to allocate the Excess Rights Shares with Warrants B in a fair and equitable manner in accordance with the procedures set out in **Section 10.8** of this Abridged Prospectus.

Further details are set out in **Section 2.1** of this Abridged Prospectus.

Issue price of the Rights Shares : RM0.09 per Rights Share

Further details are set out in **Section 2.2** of this Abridged Prospectus.

Exercise price of the Warrants B : RM0.09 per Warrant B

Further details are set out in **Section 2.3** of this Abridged Prospectus.

Undertakings : The Undertaking Shareholder had on 7 June 2023 provided his Undertaking to subscribe for his full entitlement to the Rights Shares based on his shareholdings as at the Entitlement Date and his Additional Undertaking to subscribe for part of the Rights Shares that remain unsubscribed by the Entitled Shareholders and/ or their renounee(s) under the Rights Issue with Warrants via the Excess Application if required, to the extent that the proceeds to be raised from the subscription of Rights Shares under the Rights Issue with Warrants achieves the minimum amount of RM2,000,000.

Further details are set out in **Section 3** of this Abridged Prospectus.

Utilisation of proceeds and timeframe for utilisation : The gross proceeds to be raised from the Rights Issue with Warrants will be utilised in the following manner:-

| Details of utilisation | Timeframe for utilisation | Minimum Scenario | | Maximum Scenario | |
|------------------------|----------------------------------|------------------|--------------|------------------|--------------|
| | | RM'000 | % | RM'000 | % |
| Working capital | Within 18 months from completion | 1,420 | 71.0 | 21,217 | 97.3 |
| Estimated expenses | Upon completion | 580 | 29.0 | 580 | 2.7 |
| Total | | 2,000 | 100.0 | 21,797 | 100.0 |

Further details are set out in **Section 4** of this Abridged Prospectus.

SUMMARY OF THE RIGHTS ISSUE WITH WARRANTS (CONT'D)

| Key information | Summary |
|--|---|
| Rationale | <p>: i. To strengthen our financial position and capital base, by reducing our gearing level and increasing our NA thereby providing greater financial flexibility;</p> <p>ii. To help position our Group on a better financial footing to expand our business in the future and improve our financial performance;</p> <p>iii. To enable the issuance of new FEHB Shares without diluting shareholders' equity interest, assuming that all Entitled Shareholders subscribe in full for their respective entitlements under the Rights Issue with Warrants;</p> <p>iv. To provide all Entitled Shareholders with an opportunity to further participate in the prospects and future growth of our Group on a pro-rata basis; and</p> <p>v. To raise the requisite funds without incurring additional interest expense, as compared to bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing.</p> <p>Further details are set out in Section 5 of this Abridged Prospectus.</p> |
| Risk factors | <p>: You should consider, amongst others, the following risk factors before subscribing for or investing in the Rights Issue with Warrants:-</p> <p>i. Our Group is dependent on the abilities, skills, experience, competency, and continued efforts of key management personnel;</p> <p>ii. Our Group is subject to stringent regulations from various regulatory bodies, which necessitates compliance with a wide range of requirements;</p> <p>iii. Our Group's business is exposed to foreign exchange risks as our sales and purchases are denominated in foreign currencies other than RM;</p> <p>iv. Our Group is exposed to the volatility of global crude oil prices which may fluctuate in response to changes in market supply and demand conditions;</p> <p>v. Our Group face challenges for market share from both existing competitors and potentially new market entrants in local and international markets, which are active in the Petroleum Trading Business;</p> <p>vi. Our Group may lose its competitiveness if we fail to stay up to date with the latest technology which will then adversely affect our business;</p> <p>vii. The Rights Issue with Warrants may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances;</p> <p>viii. The Entitled Shareholders who do not or are not able to subscribe for their entitlement(s) will have their proportionate ownership diluted; and</p> <p>ix. The market price of our Shares as traded on Bursa Securities is influenced by, amongst others, the prevailing market sentiments, volatility of the equity markets, the outlook of the industries which we operate.</p> <p>Further details are set out in Section 6 of this Abridged Prospectus.</p> |
| Procedures for application for the Rights Issue with Warrants and Excess Rights Shares with Warrants B | <p>: Acceptance of and payment for the Provisional Rights Shares with Warrants B and Excess Application must be made by way of the RSF enclosed together with this Abridged Prospectus and must be completed in accordance with the notes and instructions in the RSF.</p> <p>The last day, date and time for acceptance of and payment for the Provisional Rights Shares with Warrants B and the application and payment for the Excess Rights Shares with Warrants B is on Thursday, 22 February 2024 at 5.00 p.m.</p> <p>The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders may subscribe for and/ or renounce their respective entitlements under the Rights Issue with Warrants in full or in part.</p> <p>Further details are set out in Section 10 of this Abridged Prospectus.</p> |



FAST ENERGY HOLDINGS BERHAD

(Registration No.: 200401009317 (647820-D))
(Incorporated in Malaysia)

Registered Office

B-21-1, Level 21, Tower B
Northpoint Mid Valley City
No. 1, Medan Syed Putra Utara
59200 Kuala Lumpur
Wilayah Persekutuan

31 January 2024

Board of Directors

Dato' Faizal Bin Abdullah (*Independent Non-Executive Chairman*)
Tan Wye Chuan (*Executive Director*)
Leong Lup Yan (*Executive Director*)
Lim Tock Ooi (*Non-Independent Non-Executive Director*)
Madam Lean Boon Bee (*Independent Non-Executive Director*)
Ho Whye Shen (*Independent Non-Executive Director*)
Tan Su Ning (*Independent Non-Executive Director*)
Dr Chan Jee Peng (*Independent Non-Executive Director*)

To: The Entitled Shareholders

Dear Sir/ Madam,

RENOUNCEABLE RIGHTS ISSUE OF UP TO 242,192,937 RIGHTS SHARES AT THE ISSUE PRICE OF RM0.09 PER RIGHTS SHARE, ON THE BASIS OF 1 RIGHTS SHARE FOR EVERY 1 EXISTING FEHB SHARE HELD, TOGETHER WITH UP TO 121,096,468 WARRANTS B ON THE BASIS OF 1 WARRANT B FOR EVERY 2 RIGHTS SHARES SUBSCRIBED FOR, AS AT 5.00 P.M. ON WEDNESDAY, 31 JANUARY 2024

1. INTRODUCTION

On 7 June 2023, UOBKH had, on behalf of our Board, announced that FEHB proposed to undertake the Corporate Exercises.

On 8 September 2023, UOBKH had, on behalf of our Board, announced that Bursa Securities had, vide its letter dated 8 September 2023, resolved to approve the following:-

- i. admission of the Warrants B to the official list of Bursa Securities;
- ii. listing and quotation of up to 242,192,937 Rights Shares and up to 121,096,468 Warrants B pursuant to the Rights Issue with Warrants;
- iii. listing and quotation of up to 121,096,468 new FEHB Shares to be issued arising from the exercise of the Warrants B, and
- iv. listing and quotation for up to 3,717,544 Additional Warrants A arising from the adjustments pursuant to the Rights Issue with Warrants and up to 3,717,544 new Shares to be issued pursuant to the exercise of Additional Warrants A,

subject to the conditions set out below:-

| Conditions | Status of compliance |
|--|--|
| a. FEHB and UOBKH must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Rights Issue with Warrants; | To be complied within the course of implementation of the Rights Issue with Warrants |
| b. FEHB and UOBKH to inform Bursa Securities upon the completion of the Rights Issue with Warrants; | To be complied within the course of implementation of the Rights Issue with Warrants |
| c. FEHB to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the Rights Issue with Warrants is completed; and | To be complied within the course of implementation of the Rights Issue with Warrants |
| d. FEHB to furnish Bursa Securities on a quarterly basis a summary of the total number of shares listed pursuant to the exercise of Warrants B as at the end of each quarter together with a detailed computation of listing fees payable. | Our Board will ensure compliance |

On 17 October 2023, our shareholders had approved the Rights Issue with Warrants at our EGM.

On 15 January 2024, UOBKH had, on behalf of our Board, announced that our Board had on even date resolved to fix the issue price of the Rights Shares at RM0.09 per Rights Share and the exercise price of the Warrants B at RM0.09 per Warrant B. The Issue Price and exercise price of the Warrants B was determined and fixed by our Board after taking into consideration the basis and justifications as set out in **Sections 2.2 and 2.3** of this Abridged Prospectus, respectively.

On 16 January 2024, UOBKH had, on behalf of our Board, announced the following:-

- i. the Entitlement Date and other relevant dates pertaining to the Rights Issue with Warrants; and
- ii. the execution of Deed Poll B.

The admission of the Warrants B to the Official List and the listing of and quotation for the Rights Shares and Warrants B to be issued pursuant to the Rights Issue with Warrants will commence after, amongst others, receipt of confirmation from Bursa Depository that all the CDS Accounts of the successful applicants have been duly credited and notices of allotment have been despatched to them.

No person is authorised to give any information or to make any representation not contained in this Abridged Prospectus in connection with the Rights Issue with Warrants and if given or made, such information or representation must not be relied upon as having been authorised by us or UOBKH.

YOU ARE ADVISED TO READ AND UNDERSTAND THE CONTENT OF THIS ABRIDGED PROSPECTUS. IF YOU ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, YOU SHOULD CONSULT A PROFESSIONAL ADVISER IMMEDIATELY.

2. DETAILS OF THE RIGHTS ISSUE WITH WARRANTS

2.1 Basis and number of Rights Shares and Warrants B to be issued

The Rights Issue with Warrants entails the issuance of up to 242,192,937 Rights Shares at the Issue Price on the basis of 1 Rights Share for every 1 existing FEHB Share held, together with up to 121,096,468 Warrants B on the basis of 1 Warrant B for every 2 Rights Shares subscribed for by the Entitled Shareholders whose names appear in the Record of Depositors of our Company as at the close of business on the Entitlement Date.

As at the LPD, FEHB has an issued share capital of RM141,240,285 comprising 215,281,192 FEHB Shares and does not retain any treasury shares. In addition, as at the LPD, our Company has 14,532,219 outstanding Warrants A that can be exercised and 12,379,526 ESOS Options that may be granted and exercised.

Assuming all of the outstanding Warrants A are fully exercised and ESOS options are fully granted and exercised, our Company's enlarged number of issued shares will be 242,192,937 Shares, the computation is as set out below:-

| | No. of Shares |
|--|---------------------------|
| Issued share capital as at the LPD | 215,281,192 |
| Assuming full exercise of Warrants A | 14,532,219 |
| Assuming full exercise of ESOS options | 12,379,526 |
| Enlarged issued Shares | <u>242,192,937</u> |

The Rights Issue with Warrants will be undertaken on the minimum subscription level basis, after taking into consideration the minimum level of funds our Company intends to raise from the Rights Issue with Warrants amounting to RM2,000,000, which will be channelled towards the proposed utilisation of proceeds as set out in **Section 4** of this Abridged Prospectus. Pursuant thereto, the Executive Director of FEHB namely, Tan Wye Chuan had on 7 June 2023 provided his Undertaking to subscribe for his full entitlement to the Rights Shares based on his shareholdings as at the Entitlement Date and his Additional Undertaking to subscribe for part of the Rights Shares that remain unsubscribed by the Entitled Shareholders and/ or their renounee(s) under the Rights Issue with Warrants via the Excess Application, to the extent that the proceeds to be raised from the subscription of Rights Shares under the Rights Issue with Warrants achieves the minimum amount of RM2,000,000.

For the avoidance of doubt, the Additional Undertaking will only crystallise via the Excess Application in the event there are Rights Shares that are not taken up or validly taken up by other Entitled Shareholders and/ or their renounees. The Undertaking Shareholder will submit his entitlement Rights Shares application and Excess Application so that the total number of Rights Shares applied for by him based on the issue price achieves the minimum amount of RM2,000,000. Further details of the Undertaking and Additional Undertaking are set out in **Section 3** of this Abridged Prospectus.

The actual number of Rights Shares with Warrants B to be issued will depend on the total issued Shares of our Company as at the Entitlement Date and the eventual subscription rate of the Rights Issue with Warrants.

The Warrants B will be immediately detached from the Rights Shares upon issuance and will be traded separately. The Warrants B will be issued in registered form and constituted by the Deed Poll B.

The Rights Issue with Warrants is renounceable in full or in part. Accordingly, the Entitled Shareholders who renounce all or any part of their entitlements to the Rights Shares provisionally allotted to them under the Rights Issue with Warrants will simultaneously relinquish any accompanying entitlement to the Warrants B. For the avoidance of doubt, the Rights Shares and the Warrants B are not separately renounceable.

In determining the entitlement of the Entitled Shareholders under the Rights Issue with Warrants, fractional entitlements, if any, will be disregarded and dealt with in such manner and on such terms and conditions as our Board in its sole and absolute discretion deem fit or expedient and in the best interests of our Company.

The Rights Shares together with Warrants B which are not taken up or validly taken up, shall be made available for Excess Application by the other Entitled Shareholders and/ or their renounee(s) and/ or transferee(s). Our Board intends to allocate the Excess Rights Shares with Warrants B in a fair and equitable manner in accordance with the procedures set out in **Section 10.8** of this Abridged Prospectus.

2.2 Basis of determining and justifications for the Issue Price

The issue price of RM0.09 per Rights Share was determined by our Board after taking into consideration, amongst others, the following:-

- i. the funding requirements of our Group as set out in **Section 4** of this Abridged Prospectus;
- ii. the market conditions and market prices of FEHB Shares. The issue price of RM0.09 per Rights Share represents a discount of approximately 23.08% to the TERP of RM0.1170 per FEHB Share computed based on the 5-day VWAP of FEHB Shares up to and including the LTD of RM0.1575.

In addition, the issue price also represents the following discount to the respective TERPs based on the respective VWAPs of FEHB Shares as follows:-

| Up to and including the LTD | VWAP RM | TERP RM | Discount to the TERP | |
|-----------------------------|------------|------------|----------------------|-------|
| | | | RM | % |
| 5-day VWAP | 0.1575 | 0.1170 | 0.0270 | 23.08 |
| 1-month VWAP | 0.1659 | 0.1204 | 0.0304 | 25.25 |
| 3-month VWAP | 0.1630 | 0.1192 | 0.0292 | 24.50 |
| 6-month VWAP | 0.1495 | 0.1138 | 0.0238 | 20.91 |
| 12-month VWAP | 0.1501 | 0.1140 | 0.0240 | 21.05 |

(Source: Bloomberg)

Based on the above, the issue price of RM0.09 per Rights Share, represents a discount ranging from approximately 20.91% to 25.25% to the TERP, calculated based on the 5-day VWAP, 1-month VWAP, 3-month VWAP, 6-month VWAP and 12-month VWAP up to and including the LTD;

- iii. the issue price of RM0.09 per Rights Share which represents a discount of 23.08% to the TERP of FEHB Shares based on 5-day VWAP of FEHB Shares up to and including the LTD of RM0.1170, was considered reasonable by our Board after taking into consideration the need to price the Rights Shares at an issue price that would be deemed sufficiently attractive to encourage the subscription of the Rights Shares by the Entitled Shareholders and/ or their renounee(s) whilst at the same time, the issue price of the Rights Shares shall be able to achieve the intended proceeds to be raised from the Rights Issue with Warrants; and
- iv. the rationale for the Rights Issue with Warrants as further discussed in **Section 5** of this Abridged Prospectus.

2.3 Basis of determining and justifications for the exercise price of the Warrants B

The Warrants B attached to the Rights Shares will be issued at no cost to the Entitled Shareholders and/ or their renounee(s) who subscribe for the Rights Shares.

The exercise price of RM0.09 per Warrant B was determined by our Board after taking into consideration, amongst others, the following:-

- i. the Warrants B will be issued at no cost to the Entitled Shareholders and/ or their renounee(s) who successfully subscribe for the Rights Shares;
- ii. the historical trading prices of FEHB Shares for the past 12 months; and
- iii. the future prospects of our Group as set out in **Section 7.5** of this Abridged Prospectus.

The exercise price of RM0.09 per Warrant B represents a discount of 23.08% to the TERP of RM0.1170 per FEHB Share, calculated based on the 5-day VWAP of FEHB Shares up to and including the LTD of RM0.1575.

2.4 Ranking of the Rights Shares and new FEHB Shares to be issued arising from the exercise of Warrants B and the Additional Warrants A

The Rights Shares shall, upon allotment and issuance, rank equally in all respects with the existing FEHB Shares, save and except that the Rights Shares shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of the Rights Shares.

The new FEHB Shares to be issued arising from the exercise of the Warrants B and the Additional Warrants A shall, upon allotment and issuance, rank equally in all respects with the existing FEHB Shares, save and except that the new FEHB Shares to be issued arising from the exercise of the Warrants B and the Additional Warrants A shall not be entitled to any dividends, rights, allotments and/ or any other forms of distribution that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such new FEHB Shares.

2.5 Salient terms of the Warrants B

| Terms | Details |
|----------------|--|
| Issue size | : Up to 121,096,468 Warrants B, each carrying the right to subscribe for one new Shares during the exercise period at the exercise price, subject to the terms and conditions of Deed Poll B. |
| Issue price | : The Warrants B will be issued at no cost to the Entitled Shareholders. |
| Form | : The Warrants B will be issued in registered form and will be constituted by the Deed Poll B. |
| Board lot | : The Warrants B are tradeable upon listing in board lots of 100 units carrying rights to subscribe for 100 new FEHB Shares at any time during the exercise period or such other number of units as may be prescribed by Bursa Securities. |
| Exercise price | : RM0.09 per Warrant B. The basis of determining the exercise price of the Warrants B is set out in Section 2.3 of this Abridged Prospectus. The exercise price and the number of outstanding Warrants B shall however be subject to the adjustments in accordance with the terms and provisions of the Deed Poll B during the exercise period. |

| Terms | Details |
|--|--|
| Exercise period | : Five (5) years commencing on and including the date of issuance of the Warrants B ending at 5.00 p.m. on the day falling immediately before the fifth (5th) anniversary of the date of issuance, or if such day is not a Market Day, then it shall be the Market Day immediately preceding the said non-Market Day. Any Warrants B not exercised during the exercise period will thereafter lapse and cease to be valid. |
| Rights of Warrant B holders | : The holder of Warrants B shall not be entitled to any voting rights or to participate in any dividends, rights, allotments and/ or other forms of distributions and/ or offer of further securities in our Company other than on winding-up, compromise or arrangement of our Company as provided in the Deed Poll B until and unless such holders of the Warrants B becomes a shareholder of FEHB by exercising their Warrants B into new FEHB Shares or unless otherwise resolved by FEHB in a general meeting. |
| Ranking of new FEHB Shares | : The new FEHB Shares to be issued pursuant to the exercise of the Warrants B will, upon allotment and issuance, rank equally in all respects with the existing FEHB Shares, save and except that the new FEHB Shares will not be entitled to any dividends, rights, allotments and/ or any other forms of distribution where the entitlement date precedes the relevant date of allotment and issuance of the new FEHB Shares. |
| Listing of the Warrants B | : The Warrants B and new FEHB Shares to be issued from the exercise of the Warrants B will be listed on the ACE Market of Bursa Securities. |
| Adjustment in the exercise price and/ or number of Warrants B | : The exercise price and/ or the number of unexercised Warrants B held by each Warrant B holder may from time to time be adjusted in accordance with the provisions of the Deed Poll B. In any circumstances where the directors of our Company consider that adjustments to the exercise price and/ or the number of the Warrants B as provided for under the provisions the Deed Poll B should not be made or should be calculated on a different basis or different date or that an adjustment to the exercise price and/ or the number of the Warrants B should be made notwithstanding that no adjustment is required under the provisions the Deed Poll B, our Company may appoint an adviser or auditors to consider whether for any reason whatsoever the adjustment, calculation or determination to be made (or the absence of an adjustment, calculation or determination) is appropriate or inappropriate, as the case may be. If such adviser or auditors shall consider the adjustment, calculation or determination to be inappropriate, the adjustment shall be modified or nullified (or an adjustment, calculation or determination made even though not required to be made) in such manner as may be considered by such adviser or auditors to be in its opinion appropriate. The opinion shall be certified by the auditors or adviser. |
| Transferability | : The Warrants B shall be transferable in the manner in accordance with the Deed Poll B subject always to the provisions of the Securities Industries (Central Depositories) Act, 1991, as amended and revised from time to time and the Rules of Bursa Depository and any appendices. |
| Rights in the event of winding-up, liquidation, compromise and/ or arrangement | : Where a resolution has been passed for a members' voluntary winding up of our Company, or where there is a scheme of compromise or arrangement under Section 366 of the Act (whether or not for the purpose of or in connection with a scheme for the reconstruction of our Company or the amalgamation of our Company with one or more companies) then:- |

Terms

Details

- i. if such winding up, compromise or arrangement to which the Warrant B holders or some person designated by them for such purposes by special resolution shall be a party, the terms of such winding up, compromise or arrangement shall be binding on all the Warrant B holders; and
- ii. in any other case and to the extent permitted by law, every Warrant B holder shall be entitled upon and subject to the conditions contained in Deed Poll B at any time within 6 weeks after the passing of such resolution for a members' voluntary winding-up of our Company or within 6 weeks after the granting of the court order approving the compromise or arrangement, by the irrevocable surrender of his/ her Warrants B to our Company by submitting the duly completed exercise form authorising the debiting of his/ her Warrants B together with payment of the relevant exercise price, to elect to be treated as if he/ she had immediately prior to the commencement of such winding-up, compromise or arrangement, exercised the exercise rights represented by such Warrants B to the extent specified in the exercise form and be entitled to receive out of the assets of our Company which would be available in liquidation if he/ she had on such date been the holder of the new FEHB Shares to which he/ she would have become entitled pursuant to such exercise and the liquidator of our Company shall give effect to such election accordingly.

If our Company is wound up by way of members' voluntary winding up or an order has been granted for such compromise or arrangement, all exercise rights which have not been exercised within 6 weeks of either the passing of such resolution for the winding up or the granting of the court order for the approval of such compromise or arrangement, as the case may be, shall lapse and the Warrants B will cease to be valid for any purpose.

If our Company is wound up (other than by way of a members' voluntary winding up), all exercise rights which have not been exercised prior to the date of commencement of the winding up shall lapse and the Warrants B will cease to be valid for any purpose.

Modifications

- : Our Company may, from time to time, subject to the terms and conditions of the Deed Poll B, without the consent or sanction of the Warrant B holders, modify, amend or add to the Deed Poll B, if such modification, amendment or addition made does not materially prejudice the interests of the Warrant B holders or is made to correct a manifest error or to comply with the prevailing laws of Malaysia.

Save for the above, any modification, amendment, deletion or addition to the Deed Poll B shall require the approval of the holders of Warrants B sanctioned by special resolution and may be effected only by the Deed Poll B, executed by our Company and expressed to be supplemental hereto and subject to the approval of the relevant authorities, if necessary.

Governing Laws

- : Laws of Malaysia

2.6 Other fund raising exercises in the past 12 months

2.6.1 Private Placement I

Our Company had on 11 March 2022, announced that our Company proposed to undertake a private placement for up to 78,511,945 new FEHB Shares, representing 10% of the issued shares in FEHB, pursuant to Sections 75 and 76 of the Act ("**Private Placement I**"). A total of 68,477,496 new FEHB Shares were placed out, raising total gross proceeds of RM3.84 million:-

| Listing Date | Issue price | Shares | Actual proceeds raised |
|---------------|-------------|-------------------|------------------------|
| 25 April 2022 | RM0.0531 | 6,590,000 | RM349,929.00 |
| 6 May 2022 | RM0.0540 | 9,260,000 | RM500,040.00 |
| 13 May 2022 | RM0.0569 | 52,627,496 | RM2,994,504.52 |
| Total | | 68,477,496 | RM3,844,473.52 |

The Private Placement I had been completed on 13 May 2022. The status of the utilisation of the said gross proceeds as at the LPD is set out below:-

| Details of utilisation | Timeframe for utilisation | Proposed utilisation RM'000 | Actual utilisation RM'000 | Balance to be utilised RM'000 |
|------------------------|--|-----------------------------|---------------------------|-------------------------------|
| Working capital*1 | Within 12 months from receipt of funds | 3,779 | 3,779 | - |
| Estimated expenses | Upon completion of the Private Placement I | 65 | 65 | - |
| Total | | 3,844 | 3,844 | - |

Note:-

*1 The proceeds raised were utilised to fund the working capital requirements of FEHB Group's Petroleum Trading Business.

On 23 March 2021, Fast Energy Sdn Bhd, the wholly owned subsidiary of our Group, had entered into a contract with Huang Fan Sdn Bhd to supply marine fuel oil for a period of 45 months with an estimated contract value amounting to RM540.00 million (based on the market prices as at the date of announcement made to Bursa Securities), which is expected to commence in the first quarter of 2025 and completed by the first quarter of 2028 ("**Contract I**").

Further, on 12 March 2021 ("**Contract II**") and 2 June 2021 ("**Contract III**"), Fast Energy Sdn Bhd had entered into contracts with Wise Marine Pte Ltd to supply low and high sulphur fuel oil and low sulphur marine gas oil for a period of 3 years with an estimated contract value of RM2.22 billion and RM1.46 billion respectively (both the estimated contract values are derived based on the market price reported on Mean of Platts Singapore as at the date of announcement made to Bursa Securities). The actual value may vary from the estimated value disclosed as the value cannot be ascertained, given the daily fluctuations in oil prices. Contract II had commenced on 12 April 2021 and is expected to complete in April 2024 whilst Contract III is expected to commence in the first quarter of 2025 and completed by the first quarter of 2028. For information purposes, the estimated remaining value for Contract II is approximately RM243.72 million, derived based on the market price reported on Mean of Platts Singapore as at the LPD.

For the avoidance of doubt, the actual contract value and the contract period for Contract I and Contract III are dependent on the conditions precedent being fulfilled and market conditions. At this juncture, the abovementioned details are still indicative and subject to amendments given that our Group is unable commence its activities for Contract I and Contract III as the conditions precedent have yet to be fulfilled by the respective buyers (i.e. the respective buyers namely Huang Fan Sdn Bhd and Wise Marine Pte Ltd, are unable to provide our Company with a suitable vessel as a charge for the Contract I and Contract II). For information purposes, the respective buyers will provide Fast Energy Sdn Bhd with suitable vessels which will be used as collateral for the fulfilment of the Contract I and Contract III. As such, the disclosures pertaining to the expected commencement date and completion date are estimated figures which may be adjusted upward or downward in the event there are changes made to the future plans of the said contracts.

The proceeds earmarked for working capital has been fully utilised to fund the working capital requirements of FEHB Group's Petroleum Trading Business, including the above contracts.

The allocation of proceeds utilised is as follows:-

| Purpose | Proposed utilisation RM'000 | Actual utilisation RM'000 | Balance to be utilised RM'000 |
|--|--|--------------------------------------|--|
| Purchase of petroleum products (e.g. marine fuel oil and marine gas oil) | 3,779 | 3,779 | - |
| | 3,779 | 3,779 | - |

For information purpose, the above actual utilisation have been fully utilised for Contract II.

2.6.2 Private Placement II

On 18 May 2022, FEHB announced the following:-

- i. proposed consolidation of every 6 existing ordinary shares in FEHB held by the shareholders of FEHB, on an entitlement date to be determined and announced later, into 1 ordinary share in FEHB ("**Share Consolidation**");
- ii. a private placement of up to 35% of the total number of issued shares of FEHB to third party investor(s) to be identified later ("**Private Placement II**"); and
- iii. acquisition of 175,000 ordinary shares in Fast Marine Sdn Bhd ("**Fast Marine**") (formerly known as CCK Petroleum Sdn Bhd), representing 35% equity interest in Fast Marine from Mohd Faizul bin Nasir for a purchase consideration of RM28,000,000 to be satisfied via a combination of RM23,972,660 in cash ("**Cash Consideration**") and RM4,027,340 via the issuance of 11,800,000 new FEHB Shares at an issue price of RM0.3413 per FEHB Share ("**Acquisition**").

A total of 52,518,966 new FEHB Shares were placed out pursuant to the Private Placement II, raising total gross proceeds of RM5.19 million:-

| Listing Date | Issue price | Shares | Actual proceeds raised |
|------------------|-------------|-------------------|------------------------|
| 14 October 2022 | RM0.1248 | 12,000,000 | RM1,497,600.00 |
| 4 November 2022 | RM0.1019 | 7,500,000 | RM764,250.00 |
| 15 November 2022 | RM0.0867 | 8,000,000 | RM693,600.00 |
| 21 November 2022 | RM0.0898 | 5,500,000 | RM493,900.00 |
| 5 December 2022 | RM0.0877 | 13,700,000 | RM1,201,490.00 |
| 13 December 2022 | RM0.0928 | 5,818,966 | RM540,000.04 |
| Total | | 52,518,966 | RM5,190,840.04 |

For information purposes, the Share Consolidation, Private Placement II and Acquisition were approved during EGM held on 30 August 2022. The Share Consolidation, Acquisition and Private Placement II were subsequently completed on 29 September 2022, 2 December 2022 and 13 December 2022, respectively.

The status of the utilisation of proceeds raised from the Private Placement II as at the LPD is set out below:-

| Details of utilisation | Timeframe for utilisation | Actual amount of proceeds RM'000 | Amount utilised as at the LPD RM'000 | Balance unutilised RM'000 |
|--|---|-------------------------------------|---|------------------------------|
| Partial settlement of Cash Consideration for the Acquisition | Upon completion of Acquisition | 4,761 | 4,761* | - |
| Estimated expenses | Upon completion of the Private Placement II | 430 | 430 | - |
| Total | | 5,191 | 5,191 | - |

Note:-

* The purchase consideration of RM28.00 million for the Acquisition was funded via a combination of proceeds raised from the Private Placement II, Company's internally generated funds and the issuance of 11,800,000 new FEHB Shares at an issue price of RM0.3413 per FEHB Share, details of which are set out below:-

| Payment terms | Timing | Source of funds | RM |
|-----------------------|--|---|------------|
| i. Cash Consideration | Paid on the completion date | Company's internally generated funds | 14,211,820 |
| | Paid upon completion of Private Placement II | Proceeds raised from Private Placement II | 4,760,840 |

| Payment terms | Timing | Source of funds | RM |
|---|--|-------------------------------------|--------------------------|
| | To be released upon completion of the profit guarantee period (i.e. 12 months financial period commencing on 1 January 2023 and ending on 31 December 2023) (up to RM5.00 million only)* | Company's internally generate funds | 5,000,000 |
| ii. Issuance of 11,800,000 new FEHB Shares at RM0.3413 per FEHB Share | On the completion date | - | 4,027,340 |
| Total | | | <u>28,000,000</u> |

Note:-

* In the event the PAT for the profit guarantee period based on the audited financial statements of Fast Marine for the FYE 31 December 2023 is equivalent to or more than the profit guarantee amount, FEHB shall within 10 market days from the issue of a notice, pay the vendor the balance RM5.00 million in entirety. As at the LPD, the balance of RM5.00 million is pending the release of the audited financial statements of Fast Marine for the FYE 31 December 2023

Save for the Private Placement I and Private Placement II, our Company has not undertaken any other equity fund raising exercises in the 12 months prior to the date of this Abridged Prospectus.

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3. IRREVOCABLE AND UNCONDITIONAL UNDERTAKINGS

Our Board has determined to undertake the Rights Issue with Warrants on the Minimum Subscription Level after taking into consideration the amount of funds that our Company intends to raise from the Rights Issue with Warrants amounting to RM2.00 million under the Minimum Scenario that will be channelled towards the proposed utilisation as set out in **Section 4** of this Abridged Prospectus.

In order to meet the Minimum Subscription Level, the Undertaking Shareholder had on 7 June 2023 provided his Undertaking and his Additional Undertaking. Based on the issue price of RM0.09 per Rights Share, the Minimum Subscription Level involves the subscription by the Undertaking Shareholder of 22,222,223 Rights Shares.

The details of the Undertaking and Additional Undertaking under the Minimum Scenario is set out as follows:-

Rights Shares

| Undertaking Shareholder | Direct shareholdings as at the LPD | | Entitled Rights Shares/ Undertaking | | Additional Undertaking | | Direct shareholdings after the Rights Issue with Warrants | | Gross proceeds raised from Additional Undertaking | |
|-------------------------|------------------------------------|-----------------|-------------------------------------|-----------------|------------------------|-----------------|---|-----------------|---|------------------|
| | No. of Shares | % ^{*1} | No. of Shares | % ^{*2} | No. of Shares | % ^{*2} | No. of Shares | % ^{*3} | RM ^{*4} | RM ^{*4} |
| Tan Wye Chuan | 350,000 | 0.16 | 350,000 | 1.57 | 21,872,223 | 98.43 | 22,572,223 | 9.50 | 31,500 | 1,968,500 |

Warrants B

| Undertaking Shareholder | Entitled Warrants B/ Free Warrants B pursuant to Undertaking | | Free Warrants B pursuant to Additional Undertaking | | Total No. of Warrants B | | Gross proceeds raised from free Warrants B pursuant to Undertaking | | Additional Undertaking | |
|-------------------------|--|-----------------|--|-----------------|-------------------------|-----------------|--|------------------|------------------------|------------------|
| | No. of Warrants B | % ^{*5} | No. of Warrants B | % ^{*5} | No. of Warrants B | % ^{*5} | RM ^{*6} | RM ^{*6} | RM ^{*6} | RM ^{*6} |
| Tan Wye Chuan | 175,000 | 1.58 | 10,936,111 | 98.42 | 11,111,111 | 100.00 | 15,750 | 984,250 | | |

Notes:-

- *1 Based on our Company's total issued shares as at the LPD amounting to 215,281,192 FEHB Shares
- *2 Based on 22,222,223 Rights Shares available for subscription under the Minimum Scenario
- *3 Based on total issued shares of FEHB of 237,503,415 FEHB Shares
- *4 Computed based on the issue price of RM0.09 per Rights Share
- *5 Based on 11,111,111 Warrants B available for exercise
- *6 Computed based on the exercise price of RM0.09 per Warrant B and assuming full exercise of the Warrants B by the Undertaking Shareholder

As highlighted in **Section 2.1** of this Abridged Prospectus, the Additional Undertaking will only crystallise via the Excess Application in the event there are Rights Shares that are not taken up or validly taken up by other Entitled Shareholders and/ or their renounees under their respective entitlements. As the Rights Issue with Warrants is undertaken on the Minimum Subscription Level, FEHB will not procure any underwriting arrangement for the remaining portion of up to 219,970,714 (90.82%) Rights Shares under the Maximum Scenario which are not subscribed for by other Entitled Shareholders and/ or their renounee(s).

The Undertaking Shareholder has confirmed that he has sufficient financial resources to fulfil his respective Undertaking as well as Additional Undertaking and such confirmations have been verified by UOBKH, being the adviser for the Rights Issue with Warrants.

The subscription of the Rights Shares by the Undertaking Shareholder will not trigger the obligation to undertake a mandatory offer for all the remaining FEHB Shares not already held by it pursuant to paragraph 4.01(a) of the Rules.

Pursuant to Rule 8.02(1) of the Listing Requirements, our Company must ensure that at least 25% of the total listed FEHB Shares are in the hands of public shareholders. For information purposes, the public shareholding spread of our Company is not expected to fall below 25% of the enlarged issued share capital of our Company after the completion of the Rights Issue with Warrants under the Minimum Scenario.

For illustration purposes, the pro forma effects of the Rights Issue with Warrants under the Minimum Scenario on FEHB's public shareholding spread are as follows:-

| | As at the LPD | | I After the Rights Issue with Warrants | | II After I and assuming the full exercise of Warrants B | |
|---|--------------------|--------------|--|--------------|---|--------------|
| | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Share capital | 215,281,192 | 100.00 | 237,503,415 | 100.00 | 248,614,526 | 100.00 |
| Less: Directors/ substantial shareholders/ associates' shareholdings | 24,590,600 | 11.42 | 46,812,823 | 19.71 | 57,923,934 | 23.30 |
| Public shareholdings | 190,690,592 | 88.58 | 190,690,592 | 80.29 | 190,690,592 | 76.70 |

As illustrated above, upon completion of the Rights Issue with Warrants undertaken pursuant to the Undertaking and Additional Undertaking, our Company will still be in compliance with the public shareholding spread requirement.

For information purposes, the effects under the Maximum Scenario are not illustrated herein above as the Rights Issue with Warrants under this scenario will not have any effects on the percentage of shareholders' shareholdings pursuant to the Rights Issue with Warrants, as the Rights Shares are assumed to be subscribed by all the Entitled Shareholders on a pro-rata basis.

4. UTILISATION OF PROCEEDS

The gross proceeds to be raised from the Rights Issue with Warrants will be utilised in the following manner:-

| Details of utilisation | Timeframe for utilisation from completion of the Rights Issue with Warrants | Minimum Scenario | | Maximum Scenario | |
|----------------------------------|---|------------------|--------------|------------------|--------------|
| | | RM'000 | % | RM'000 | % |
| Working capital* ¹ | Within 18 months | 1,420 | 71.0 | 21,217 | 97.3 |
| Estimated expenses* ² | Upon completion | 580 | 29.0 | 580 | 2.7 |
| Total | | 2,000 | 100.0 | 21,797 | 100.0 |

Notes:-

*1 The proceeds earmarked for working capital is intended to be utilised to fund our Group's working capital requirements, the indicative breakdown of which is as follows:-

| Working capital requirements | Minimum Scenario RM'000 | Maximum Scenario RM'000 | Indicative percentage allocation (%) |
|--|----------------------------|----------------------------|---|
| Petroleum Trading Business ^(a) | 497 | 7,426 | 35.0 |
| Consumer Electronics Business ^(b) | 213 | 3,182 | 15.0 |
| Other operational expenditure ^(c) | 710 | 10,609 | 50.0 |
| Total | 1,420 | 21,217 | 100.0 |

Notes:-

- Our Group has earmarked 35% of the proceeds to be raised for working capital of our Group for the Petroleum Trading Business (i.e. Contract II) which may include, amongst others, purchase of petroleum products (e.g. marine fuel oil and marine gas oil);
- Our Group has earmarked 15% of the proceeds to be raised for working capital of our Group for the Consumer Electronics Business which includes costs such as administrative and selling expenses (i.e. marketing expenses for promotional purposes of existing and new product launch, travelling and accommodations expenses); and
- Our Group has earmarked 50% of the proceeds to be raised for working capital of our Group for other operational expenditure which includes office overhead costs such as salaries and new staff hiring costs and utilities. For clarification purposes, in anticipation of possible increase in orders for Consumer Electronics Business within 18 months from completion of the Corporate Exercises, our Group intends to hire additional staffs for various roles, subject to our Group's operational requirements at the time of utilisation. The details of the intended additional staffs are as set out below:-

| Roles | Number of staffs |
|--------------|------------------|
| Sales | 3 |
| Marketing | 3 |
| Finance | 1 |
| Supply chain | 1 |

For clarification purposes, our Group intends to hire within the 6 months from the completion of the Corporate Exercises and the total cost for the new staff hiring costs is subject to the market dynamics and the progression of its international expansion efforts (i.e. distribution of FreeYond's mobile devices in Indonesia). The above allocation is indicative at this juncture and subject to re-allocation as our Board may deem in the best interest of our Company. Any surplus or shortfall for any category under the working capital will be adjusted against one or more other categories under the working capital.

For information purposes, as at the LPD, the cash and bank balances of our Group stood at approximately RM13.46 million. Our Group is currently focused on expanding its operations across its Petroleum Trading Business and Consumer Electronics Business. Based on the distributor agreement dated 20 March 2023, entered into between FTSB and Great Work Corporation Ltd for the period of 5 years (commencing from 20 March 2023 until 20 March 2028), Great Work Corporation Ltd has granted the sole and exclusive distributor right to FTSB to distribute and sell FreeYond's mobile devices in Malaysia as well as the first right to be appointed as the distributor of FreeYond's mobile devices in Indonesia, Thailand and Singapore. Currently, our Group is in the midst of establishing a team in Indonesia, involving the additions of 5 key personnel with roles such as vice president, finance, sales, marketing and administrative, which had commenced in end August 2023 to facilitate the aforementioned expansion. Subject to FTSB's appointment as distributor in Indonesia, our Board anticipates to commence operations in Indonesia by the end of the third quarter of 2024. The team's primary focus will revolve around preliminary workings, including the identification of the necessary requirements such as licensing, market analysis and supply chain evaluation. As at the LPD, our Group has yet to commence any groundwork in Thailand and Singapore. Further, the expansion into Thailand and Singapore is still at a preliminary planning stage and our Board intends to prioritise the expansion into Indonesia prior to extending our operations into Thailand and Singapore. Accordingly, our Board is unable to provide further details in respect of the timeframe to commence operations in Thailand and Singapore at this juncture.

In line with this growth strategy, our Group foresees the need for additional funding to support its ongoing operations over the next 18 months. As such, our Group intends to undertake the Rights Issue with Warrants to raise additional funds as cash buffer to bridge its working capital requirements instead of relying on additional credit facilities, while at the same time pursuing the aforementioned expansion opportunities. Furthermore, the Rights Issue with Warrants will allow our Group to maintain flexibility in respect of its financial allocations for its operational requirements and short-term obligations and liabilities, and to carry out its daily operations in a more efficient and timely manner, as part of our Group's efforts in expanding its business segments. It is the intention of our management to reserve the cash and bank balances to facilitate the working capital of the on-going contract (i.e. Contract II) under the Petroleum Trading Business.

The actual breakdown for the utilisation for working capital is subject to our Group's operational requirements at the time of utilisation and as such can only be determined at a later stage. Accordingly, our Board shall have the discretion to allocate funds for our Group's working capital, depending on the actual working capital requirements at the time of utilisation.

*2 The proceeds earmarked for estimated expenses in relation to the Corporate Exercises will be utilised as set out below:-

| | RM'000 |
|---|---------------|
| Professional fees* | 450 |
| Regulatory fees | 57 |
| Printing, despatch, meeting expenses and miscellaneous expenses | 73 |
| Total | 580 |

Note:-

* These include advisory fees payable to the Principal Adviser and other professional fees payable to the company secretaries, Share Registrar, solicitors, Independent Market Researcher and reporting accountants

Any variation in the actual amount of the expenses will be adjusted in the portion of the proceeds to be for working capital.

Our Board wishes to highlight that the amount of up to approximately RM21.80 million is dependent on the eventual subscription rate of the Rights Issue with Warrants and the total issued shares of our Company as at the Entitlement Date and purely based on the assumption that the Rights Issue with Warrants is fully subscribed. In the event we do not achieve full subscription of the Rights Issue with Warrants, we will not be able to raise the amount of RM21.80 million under the Maximum Scenario and in such event, the amount of proceeds raised will be utilised in the following priority:-

- i. Estimated expenses in relation to the Corporate Exercises; and
- ii. Working capital.

For the avoidance of doubt, any shortfall between the actual proceeds raised and the Group's funding requirements as illustrated above, shall be funded via internally generated funds.

Pending the utilisation of proceeds from the Rights Issue with Warrants for the above purposes, the proceeds would be placed as deposits with licensed financial institutions or short-term money market instruments. Any interest income earned from such deposits or gains from these instruments will be used as the working capital of our Group for the Petroleum Trading Business (i.e. purchase of petroleum products and administrative and selling expenses), Consumer Electronics Business (i.e. purchase of mobile devices, headphones, casing and other marketing products such as buntings, free gifts, brochures and promoter) and other operational expenditure (i.e. office overhead costs such as salaries and new staff hiring costs and utilities).

The gross proceeds to be raised from the exercise of the Warrants B is dependent on the total number of Warrants B issued and thereafter exercised during the tenure of the Warrants B. As such, the exact amount to be raised is not determinable at this juncture. Our Company expects to utilise the proceeds raised from the exercise of Warrants B within 18 months from the date of receipt.

For illustrative purposes only, the gross proceeds to be raised upon the full exercise of the Warrants B based on the exercise price of RM0.09 per Warrant B is set out below:-

| | Minimum Scenario | Maximum Scenario |
|--|-------------------------|-------------------------|
| No. of Warrants B | 11,111,111 | 121,096,468 |
| Total gross proceeds raised assuming all outstanding Warrants B are exercised (RM) | 1,000,000 | 10,898,682 |

Such gross proceeds to be raised from the exercise of Warrants B will be utilised as additional working capital to finance our Group's day to day operations. The proceeds may be utilised to finance, amongst others, employee salaries, payment to trade creditors as well as general expenses such as utilities and office expenses, the breakdown of which have not been determined at this juncture.

5. RATIONALE AND JUSTIFICATION FOR THE RIGHTS ISSUE WITH WARRANTS

Our Board is of the view that the Rights Issue with Warrants is the most appropriate avenue to raise the necessary funding for our Group as set out in **Section 4** of this Abridged Prospectus after taking into consideration the following:-

- i. the Rights Issue with Warrants will strengthen the financial position and capital base of our Company, by reducing our gearing level and increasing our NA thereby providing greater financial flexibility, as illustrated in **Section 8.2** of this Abridged Prospectus;
- ii. the Rights Issue with Warrants will help position our Group on a better financial footing to expand our business in the future, in tandem with our strategy to improve our financial performance;

- iii. the Rights Issue with Warrants will enable the issuance of new FEHB Shares without diluting shareholders' equity interest, based on the assumption that all Entitled Shareholders subscribe in full for their respective entitlements under the Rights Issue with Warrants;
- iv. the Rights Issue with Warrants will provide all Entitled Shareholders with an opportunity to further participate in the prospects and future growth of our Group on a pro-rata basis; and
- v. the Rights Issue with Warrants will enable our Company to raise the requisite funds without incurring additional interest expense, as compared to bank borrowings, thereby minimising any potential cash outflow in respect of interest servicing.

The Warrants B have been attached to the Rights Shares to provide the Entitled Shareholders with additional incentive to subscribe for the Rights Shares. The Warrants B will potentially allow the Entitled Shareholders who subscribe for the Rights Shares to benefit from the possible capital appreciation of the Warrants B and increase their equity participation in our Company at a predetermined price over the tenure of the Warrants B. We would also be able to raise additional proceeds as and when the Warrants B are exercised.

6. RISK FACTORS

In addition to other information contained elsewhere in this Abridged Prospectus, you should consider carefully the following risk factors which may have an impact on the future performance of our Group before subscribing for or investing in the Rights Issue with Warrants.

6.1 Risks relating to our Group

6.1.1 Dependency on key personnel

The success of our Group will depend to a significant extent upon the abilities, skills, experience, competency, and continued efforts of key management personnel. The loss of the key management personnel without suitable and timely replacement, or the inability of our Group to attract and retain other qualified personnel, could adversely affect our Group's business and operations.

FEHB Group's success also depends on our ability to hire, train and retain qualified and competent personnel. The process of identifying personnel with necessary experience, capabilities and characteristics required to carry out FEHB Group's business strategies can be difficult, time consuming and expensive.

There may be a material adverse impact on FEHB Group's business and financial performance in the event we are unable to successfully retain FEHB Group's key management and qualified personnel and/ or recruit suitable candidates to replace any such key management or qualified personnel in the future.

6.1.2 Political, economic and regulatory risk

Our Group is subject to stringent regulations from various regulatory bodies, which necessitates compliance with a wide range of requirements. These requirements include potential changes in legislation in Malaysia or other countries. Adverse changes in political, economic, and regulatory conditions, such as inflation rates, interest rates, war, government policies, and regulations related to our businesses, terrorism, civil unrest, riots, trade war, and political uncertainty, pose a significant risk to our Group's financial performance.

As at the LPD, our Group has not encountered any revocation, suspension or non-renewal of our existing licenses, permits and approvals from authorities prior to expiration. While our Board is committed to complying with the stipulated conditions and implementing strict compliance procedures, changes to rules and regulations could impact our Group's ability to retain or renew its licenses or approvals. Consequently, there is no guarantee that our Group will be able to secure timely renewal or retain the necessary licenses or approvals, especially in the face of changing regulations. Any loss of a required license or permit would materially and adversely affect our Group's business operations and financial performance.

Further, there is no assurance that any adverse developments in the political, economic and regulatory conditions in Malaysia and/ or other countries in which our Group has business dealings will not adversely affect our Group's business and financial performance.

6.1.3 Foreign exchange risks

Our Group's business is exposed to foreign exchange risks as a substantial portion of our sales and purchases are denominated in foreign currencies other than RM. The said foreign currencies giving rise to foreign exchange risks include United States Dollar ("**USD**").

For the FYE 31 December 2022, sales denominated in USD amounted to RM237.70 million or 87.37% as compared to the total revenue recorded by FEHB Group which amounted to RM272.05 million.

For the 9-month FPE 30 September 2023, sales denominated in USD amounted to RM208.45 million or 75.74% as compared to the total revenue recorded by FEHB Group which amounted to RM275.21 million.

As at the LPD, our Group did not have any form of currency hedging arrangements in place with respect to the abovementioned foreign exchange risks. For shareholders' information, for the latest audited FYE 31 December 2022, the sensitivity of our Group's LAT to fluctuation in USD exchange rates against RM is set out below:-

| | FYE 31 December 2022 |
|-------------------------------------|-----------------------------|
| | RM |
| USD – strengthened by 5% against RM | 1,730,297 |
| – weakened by 5% against RM | (1,730,297) |

Any adverse changes in the relevant exchange rates will negatively impact our Group's financial performance. There can be no assurance that there will not be any significant and/ or volatile fluctuation in USD, the occurrence of which may affect the financial performance and position of our Group.

6.2 Risks relating to the maritime industry

6.2.1 Fluctuation in crude oil prices

Due to the nature of the Petroleum Trading Business, FEHB Group is exposed to the volatility of global crude oil prices which may fluctuate in response to changes in market supply and demand conditions. For shareholders' information, FEHB Group does not have any hedging contracts or forward contracts to hedge against the fluctuation of the global crude oil prices as at the LPD.

Crude oil prices have a direct correlation on the levels of activity in the oil and gas industry. Prices of crude oil fluctuate in response to factors like level of demand, exploration costs, production and delivery costs, technological advances in development and production, output levels of crude oil, competition from alternative fossil fuels, adverse global weather conditions and global political conditions. Hence, under such circumstances, there is no assurance that we are able to obtain sufficient supply of petroleum products at competitive prices at all times without any adverse impact to our financial performance. For the avoidance of doubt, the increase in crude oil prices would result in us procuring petroleum products at higher costs, which could affect the level of cash buffer we need for our Petroleum Trading Business.

As crude oil prices are subject to price fluctuations which are beyond our control, this may result in increased costs that have a material adverse effect on our financial performance.

6.2.2 Competition risk

There are a number of other industry players comparable to FEHB Group which are active in the Petroleum Trading Business. We still face challenges for market share from both existing competitors and potentially new market entrants in local and international markets. Despite the relatively high barriers to entry such as the costs of obtaining petroleum products and the ability to provide delivery of the products on time, local or international competitors may still enter or increase their presence in our industry.

We are exposed to the risk that we may be unable to compete effectively against our existing or future competitors and arising therefrom, our business, financial performance and financial condition may be adversely affected.

6.3 Risks relating to the renewable energy industry

6.3.1 Dependency on government policies, incentives and regulations

Our Group is involved in the solar industry, which is subject to various laws, regulations and policies set by the local and national government authorities relating to renewable energy. These laws and regulations also address occupational safety and health of employees and other aspects of the operations of the renewable energy industry. Failure to comply with the laws and regulations, as well as injuries or other harm caused by such failure, may result in financial penalties, administrative or legal action against our Group, including the termination or suspension of its renewable energy business.

While the government has set policies and support mechanisms for the renewable energy industry, such policies and support may be modified or changed in the future. We may be affected by any adverse changes in the government policies and support mechanisms relating to the solar industry. Introduction of new policies and/ or reduction/ elimination of support mechanisms may adversely affect the prospects of the solar industry. Any unfavourable changes in the government policies, incentives and supportive regulatory framework in Malaysia may adversely affect our business, financial performance, financial conditions and prospects.

6.3.2 Changes in technology risks

The renewable energy industry is characterised by evolving technology standards that require improved features, such as more efficient power generation and improved aesthetics. The renewable energy industry is also very diverse with other alternative renewable energy sources and businesses such as biogas, biomass, small hydropower and geothermal resources.

Our Group must be abreast with the latest trend and technology in the solar industry so that we can propose the most cost effective and efficient solutions to our clients. Our Group may lose its competitiveness if we fail to stay up to date with the latest technology which will then adversely affect our business. Further, our Group could face competition from alternative renewable energy which may compete in terms of their power generation capacity and the pricing for initial installation and subsequent operations and maintenance. If alternative renewable energy sources are able to offer better viability prospects, our business, financial performance, financial conditions and prospects could be adversely affected.

6.4 Risks relating to the consumer electronics industry

6.4.1 Business diversification risk

The Diversification may expose our Group to new business risks inherent to the Consumer Electronics Business that could have a material adverse effect on its financial performance, including the following:-

- i. changes in economic and social conditions and consumer preferences and spending patterns. Negative changes which may impact consumer spending include unemployment levels, level of interest rate, levels of personal disposable income, availability of debts, tax rates, etc.;
- ii. changes in the government's legislation and policies (including those relating to environment, fiscal and taxation) governing the Consumer Electronics Business; and
- iii. changes in supply and demand conditions, downturns in the global, regional and/ or national economies, cost of equipment, availability of technical expertise, availability of financing, emerging and future technological changes and the existence of other alternatives in consumer electronics industry.

Notwithstanding that, our Board seeks to conduct periodic review on the performance of the Consumer Electronics Business, and adopts prudent financial management and efficient operating procedures to limit the impact of the abovementioned risks. However, there can be no assurance that our Group may be able to successfully mitigate the various risks inherent in the consumer electronics industry, and if unable to do so, the business operation and financial performance of our Group may be adversely affected.

6.4.2 Competition risks

Our Group faces competition from other market players as well as new market entrants in the consumer electronics retail industry in Malaysia in terms of competency and reliability of services. Some of the competitors may have greater financial resources, more extensive networks and exposure to potential business opportunities, and have a more comprehensive range of services than our Group.

In addition, our Group may not be able to provide comparable products at lower prices or respond faster to market trends, compared to competitors who have larger economies of scale and established networks. Intensified competition may result in lower profit margins, which may adversely affect our Group's financial performance.

6.5 Risks relating to the Rights Issue with Warrants

6.5.1 Investment and market risks

The market price of our Shares as traded on Bursa Securities is influenced by, amongst others, the prevailing market sentiments, volatility of the equity markets, the outlook of the industries which we operate in as well as our financial performance. In view of this, there can be no assurance that our Shares will trade at or above the issue price of the Rights Shares upon or subsequent to the listing and quotation of the Rights Shares on the ACE Market.

The price of our Warrants B as traded on Bursa Securities is influenced by, amongst others, the market price of our Shares, remaining tenure of the Warrants B and the volatility of the price of our Shares. In view of this, there can be no assurance that our Shares will be traded at or above the exercise price of the Warrants B subsequent to the listing of the Warrants B on Bursa Securities.

Accordingly, there can be no assurance that the market price of the Rights Shares and the Warrants B will be at a level that meets the specific investment objectives or targets of any holders of the Rights Shares and the Warrants B.

6.5.2 Delay in or abortion of the Rights Issue with Warrants

The Rights Issue with Warrants is exposed to the risk that it may be aborted or delayed on the occurrence of any material adverse change of events/ circumstances, unfavourable changes in the governments' policies as well as other force majeure events, which are beyond the control of our Company and UOBKH, arising prior to or during the implementation of the Rights Issue with Warrants.

Nevertheless, our Group will endeavour to ensure the successful listing of the Rights Shares and the Warrants B. However, there can be no assurance that the above-mentioned events will not occur and cause a delay in or abortion of the Rights Issue with Warrants. In the event the Rights Issue with Warrants is aborted, our Group will repay without interest all monies received in respect of the accepted application for the subscription of the Rights Shares with Warrants B pursuant to the Rights Issue with Warrants and if such monies are not repaid within 14 days after we become liable to repay, we will repay such monies with interest at the rate of 10% per annum or at such other rate as may be prescribed by the SC in accordance with Section 243(2) of the CMSA.

In the event that the Rights Issue with Warrants is aborted/ terminated, and the Rights Shares and the Warrants B have been allotted to the shareholders, a return of monies to all holders of the Rights Shares with Warrants B could only be achieved by way of cancellation of share capital as provided under the Act and its related rules. Such cancellation requires the sanction of our shareholders by special resolution in a general meeting, consent of our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya. There can be no assurance that such monies can be returned within a short period of time or at all in such circumstances.

Acquiror of the Provisional Rights Shares with Warrants B would lose his investment in the event the Rights Issue with Warrants is terminated.

Where prior to the issuance and allotment of the Rights Shares to the successful Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable):-

- a. the SC issues a stop order under Section 245(1) of the CMSA, all applications shall be deemed to be withdrawn and cancelled and we shall repay all monies paid in respect of the applications for our Rights Shares within 14 days of the stop order, failing which we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(a) of the CMSA; or
- b. Rights Issue with Warrants is terminated other than pursuant to a stop order by the SC under Section 245(1) of the CMSA, investors will not receive any Rights Shares, and all monies paid in respect of all applications for our Rights Shares will be refunded free of interest.

In the event that the Rights Shares have been allocated to the successful Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) and:-

- a. the SC issues a stop order under Section 245(1) of the CMSA, any issue of our Rights Shares shall be deemed to be void and all monies received from the applicants shall be forthwith repaid and if any such money is not repaid within 14 days of the date of service of the stop order, we shall be liable to return such monies with interest at the rate of 10.0% per annum or at such other rate as may be specified by the SC pursuant to Section 245(7)(b) of the CMSA; or
- b. our Rights Issue with Warrants is aborted other than pursuant to a stop order by the SC, a return of monies to our shareholders may only be achieved by way of a cancellation of our share capital as provided under the Act and its related rules. Such cancellation can be implemented by the sanction of our shareholders by way of special resolution in a general meeting and supported by either:-
 - aa. consent by our creditors (unless dispensation with such consent has been granted by the High Court of Malaya) and the confirmation of the High Court of Malaya, in which case there can be no assurance that such monies can be returned within a short period of time or at all under such circumstances, or
 - bb. a solvency statement from the directors.

There can be no assurance that such monies can be returned within a short period of time or at all under such circumstances.

6.5.3 Potential dilution

The Entitled Shareholders who do not or are not able to subscribe for their entitlement(s) under the Rights Issue with Warrants will have their proportionate ownership and voting interest in our Company reduced and the percentage of our enlarged issued share capital represented by their shareholding in our Company will also be reduced accordingly as a result of the issuance of the Rights Shares and the new Shares to be issued upon the exercise of the Warrants B. Consequently, their proportionate entitlement to any dividends, rights, allotments and/ or other distributions that our Company may declare, make or pay after completion of the Rights Issue with Warrants will correspondingly be diluted.

6.6 Forward-looking statements

Certain statements in this Abridged Prospectus are based on historical data, which may not be reflective of the future results and others are forward-looking in nature, which are subject to uncertainties and contingencies.

All forward-looking statements contained in this Abridged Prospectus are based on assumptions made by our Company, unless stated otherwise. Although our Board believes that these forward-looking statements are reasonable, the statements are nevertheless subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to differ materially from the future results, performance or achievements expressed or implied in such forward-looking statements.

Such factors include, inter-alia, the risk factors as set out in this section of the Abridged Prospectus. In view of these uncertainties, the inclusion of any forward-looking statements in this Abridged Prospectus should not be regarded as a representation or warranty by our Company that the plans and objectives of our Group will be achieved.

7. INDUSTRY OVERVIEW AND FUTURE PROSPECTS OF OUR GROUP

7.1 Overview and outlook of the Malaysian economy

The Malaysian economy expanded by 3.3% in the third quarter of 2023 (2Q 2023: 2.9%). Growth was anchored by resilient domestic demand. Household spending remained supported by continued growth in employment and wages. Meanwhile, investment activity was underpinned by the progress of multi-year projects and capacity expansion by firms. Exports remained soft amid prolonged weakness in external demand. This, however, was partially offset by the recovery in inbound tourism. On the supply side, the services, construction and agriculture sectors remained supportive of growth. This was partly offset by the decline in production in the manufacturing sector given the weakness in demand for electrical and electronic (E&E) products and lower production of refined petroleum products. On a quarter-on-quarter seasonally adjusted basis, the economy grew by 2.6% (2Q 2023: 1.5%). Overall, the Malaysian economy expanded by 3.9% in the first three quarters of 2023.

Headline inflation continued to moderate to 2% (2Q 2023: 2.8%) during the quarter. The moderation was recorded in both non-core inflation and core inflation. For non-core inflation, fresh food and fuel contributed to the decline. Core inflation declined further to 2.5% (2Q 2023: 3.4%) but remained above its long-term average (2011-2019 average: 2%). The moderation in core inflation was largely contributed by selected services, including food away from home, expenditure in restaurants and cafés, and personal transport repair and maintenance. Inflation pervasiveness declined as the share of Consumer Price Index (CPI) items recording monthly price increases moderated to 40.8% during the quarter (2Q 2023: 42.7%), below the third quarter long-term (2011-2019) average of 44.5%.

The Malaysian economy is projected to expand by around 4% in 2023 and 4% – 5% in 2024. Growth will continue to be driven by the expansion in domestic demand amid steady employment and income prospects, particularly in domestic-oriented sectors. This growth performance along with other favourable economic developments would provide support to the ringgit.

(Source: Economic and Financial Developments in Malaysia Economy in the Third Quarter of 2023, Bank Negara Malaysia)

The global gross domestic product ("GDP") growth in 2022 moderated to 3.4% reflecting the economic slowdown in advanced economies as well as emerging market and developing economies (EMDEs). Despite the softened global growth, Malaysia's economy recorded a strong growth of 8.7% in 2022, exceeding the initial projection of 6.5% - 7%, whereby real output value reached above the pre-pandemic level. The commendable performance was driven by domestic demand and improved labour market in line with the transition to endemic phase.

These resulted from an increase in economic activities which include household spending, investment and tourism. Subsequently, encouraging expansion in all economic sectors primarily the services and manufacturing have also provided continuous impetus to the significant economic growth in 2022. Furthermore, the growth was attributed to robust external demand, especially among Malaysia's major trading partners.

Notwithstanding the growth, the economy in 2022 experienced several challenges with escalating inflationary pressures due to high commodity and food prices as well as softened global economic growth and trade. Therefore, the Government has taken various holistic and comprehensive measures to help the rakyat and businesses in dealing with inflationary pressures and higher cost of living.

In 2023, global growth is expected to further soften at 2.9% on the back of persistent pressures such as inflation, tightening global financial conditions and economic deceleration among major economies. Meanwhile, Malaysia's economic growth is projected to moderate amid the signs of weakness in the global growth momentum. The growth will be mainly supported by steady domestic demand primarily private expenditure initiatives as well as initiatives under the Budget 2023 and development expenditure under the Twelfth Malaysia Plan, 2021 – 2025 (12MP). However, a slowdown in external demand is expected to moderate exports growth, particularly in the electrical and electronic products and major commodities.

On the supply side, all economic sectors are expected to remain in the positive growth trajectory in 2023, driven by the services and manufacturing sectors. Other sectors, namely agriculture, mining and construction are also expected to grow further in line with the improvement in economic activities. However, downside risks such as prolonged geopolitical conflict, climate-related disasters and persistently high inflation are expected to further hampering the global economic growth, hence, affecting Malaysia's performance. Overall, the nation's GDP is forecast to grow approximately 4.5% in 2023.

(Source: Economic & Fiscal Outlook and Federal Government Revenue Estimates 2023, Ministry of Finance Malaysia)

7.2 Overview and outlook of the maritime industry in Malaysia

The maritime sector, whose greenhouse gas emissions have risen 20% over the last decade, operates an ageing fleet that runs almost exclusively on fossil fuels. As global leaders prepare for the next UN climate conference (COP28), UNCTAD advocates for system-wide collaboration, swift regulatory intervention and stronger investments in green technologies and fleets. Full decarbonization by 2050 will require massive investments and could lead to higher maritime logistics costs, raising concerns for vulnerable shipping-reliant nations like small island developing states.

The report emphasizes the need to balance environmental goals with economic needs but underscores that the cost of inaction far outweighs the required investments. Beyond cleaner fuels, the industry needs to move faster towards digital solutions like AI and blockchain to improve efficiency as well as sustainability. In its analysis of global maritime trends, the report highlights shipping's resilience despite major challenges stemming from global crises, such as the war in Ukraine. Maritime trade is expected to grow 2.4% in 2023 and expand at an average annual growth rate of 2.1% between 2024 and 2028.

The maritime sector stands at a pivotal moment, facing the daunting challenge of decarbonization while navigating economic and geopolitical headwinds. The industry's greenhouse gas emissions, which account for 3% of the global total, have increased by 20% over the last decade. Without action, emissions could reach 130% of their 2008 levels by 2050.

Complicating matters is an ageing world fleet. As of early 2023, the average ship's age was 22.2 years. With over half now older than 15 years, many ships are either too old to retrofit or too young to scrap. The urgency of decarbonization is evident, yet the sector faces multibillion-dollar investments amid uncertainty about the best transition methods. Alternative fuels show promise, but their adoption remains in the early stages, with 98.8% of the fleet still sailing on fossil fuels. The silver lining is that 21% of vessels on order will operate on cleaner alternatives like liquefied natural gas, methanol and hybrid technologies.

Another layer of complexity is the question of who is responsible for the transition. The major flag states Liberia, Panama, and the Marshall Islands, which account for a third of shipping's carbon emissions, will be responsible for enforcing new green shipping standards. But the onus for investing in alternative fuels, bunkering facilities and greener ships falls largely on ship owners, ports and the energy-producing industry.

Navigating this complex tangle of economic, regulatory and environmental priorities is the industry's next big test. Decisions on decarbonization measures are taken by the International Maritime Organization (IMO) and its members.

International seaborne trade volume contracted by 0.4 per cent in 2022, reaching 12,027 million tons, down from 12,072 million tons in 2021. This drop in performance comes after a strong rebound in 2021 but is dwarfed by the sharp decline observed in 2020 at the onset of the COVID-19 pandemic. The 2022 performance reflects the normalization that followed the extraordinary market surge in 2021.

Several factors influenced the weak growth in maritime trade flows in 2022. Weaker global economic growth, high inflation impacting consumer spending, the disruption caused by the war in Ukraine, and strict COVID-19 containment measures affecting the economic and trade performance of China had a particular impact (Clarksons Research, 2023a and ICC, 2023). Maritime trade volume contracted marginally by 0.4 per cent in 2022, but UNCTAD projects it will grow by 2.4 per cent in 2023. Indeed, the industry remains resilient and UNCTAD expects continued but moderated growth in maritime trade volume for the medium term (2024–2028).

Global shipping is also facing concurrent forces that make balancing supply and demand a challenging task for carriers. During 2022, containerized trade, measured in metric tons, declined by 3.7 per cent. UNCTAD projects it will increase by 1.2 per cent in 2023 and expand by over 3 per cent during the 2024–2028 period, although this rate is below the long-term growth of about 7 per cent over the previous three decades. On the supply side, container shipping may have entered an overcapacity phase, meaning that carriers will aim at managing capacity using tools such as slippage, idling of vessels or demolition.

(Source: Review of Maritime Transport 2023, UNCTAD)

In the second half of 2023, the transportation and storage subsector is expected to increase by 13.7% supported by the land transport segment, particularly road and rail transports on the back of state elections, festivities and school holidays. The performance of air cargo is anticipated to moderate due to softer performance in global trade, which is offset by the notable performance of air passenger traffic, in tandem with the additional number of flights to several main and new routes such as Istanbul, Okinawa and Tashkent. The water transport segment is forecast to grow at a slower rate, however it remains as a significant contributor to the growth of the subsector. Overall, the subsector is projected to rise by 14.5% in 2023.

The transportation and storage subsector is forecast to grow by 7.4% in 2024, supported by all segments following the expansion in rail, highway, port and airport activities as well as buoyant external demand.

The services sector increased by 6% in the first half of 2023, mainly attributed to the wholesale and retail trade; transportation and storage; and food & beverages and accommodation subsectors. However, finance and insurance contracted during the period. The performance of the sector in the second half of the year is anticipated to rise by 5.1% driven by tourism- and travel-related subsectors following higher tourist arrivals and improved consumer spending. Overall, the sector is projected to grow by 5.5% in 2023, with nearly all subsectors recording positive growth, except for the finance and insurance subsector. The services sector is forecast to increase by 5.6% in 2024 driven by expansion in all subsectors. In addition, vibrant tourism-related activities as well as continuous consumer spending are expected to further spur the growth of the sector.

(Source: Macroeconomic Outlook, Economic Outlook 2024, Ministry of Finance Malaysia)

7.3 Overview and outlook of the renewable energy industry in Malaysia

Malaysia is committed to achieving energy generation powered by renewable sources with a target of 31.0% of the total installed capacity from renewable resources by 2025 and 40% in 2035 under the Malaysia's Energy Transition Plan. To achieve this goal, some of the main Government initiatives include the implementation of the Net Energy Metering ("**NEM**") programme, the Large-Scale Solar PV ("**LSS**") programme, the Supply Agreement with Renewable Energy ("**SARE**") and the Self-Consumption programme.

According to the International Renewable Energy Agency, the cumulative solar PV installed capacity in Malaysia grew by 8.2% from 1,787 megawatts ("**MW**") in 2021 to 1,933 MW in 2022. The growth was mainly driven by implementation of the LSS programme as well as the introduction of the NEM programmes (namely NEM 1.0 and NEM 2.0). The programme is succeeded by the NEM 3.0 which will be in effect from 2021 to 2023. A total of 666 projects worth RM2.50 billion in renewable energy had been approved by the Malaysian Investment Development Authority in 2022. Of this number, 652 projects consist of solar energy projects with investment totally approximately RM1.10 billion. The solar PV installed capacity is estimated to grow by 15.5% to reach 2,233 MW in 2023 and is forecast to further increase by 17.8% to 2,630 MW in 2024. According to the Malaysia Renewable Energy Roadmap strategic framework that was published in 2021, the Government planned for cumulative solar PV installed capacity in Malaysia to reach 4,706 MW in 2025.

With global warming gaining attention over the past years, there has been a resulting increase in media coverage on the topic, leading to an increase in environmental awareness among the public. This development is expected to spur public demand for cleaner sources of energy going forward. In particular, the PetroliaM Nasional Berhad ("**PETRONAS**") is committed to achieve Net Zero Carbon Emission by 2050. This has led to PETRONAS establishing a new energy business to look into solar and wind energy. The rising environmental awareness is expected to encourage more business owners in adopting renewable energy such as solar energy. Additionally, adoption of solar energy to reduce cost is also factor expected to bolster growth of the industry.

Going forward, the outlook of the solar PV industry is expected to remain positive with the support from various Government-led tariff selling programmes. These tariff selling programmes, in particular the NEM programme, the LSSPV programme, the SARE programme is expected to provide the impetus to drive the growth of the industry. However, while these programmes have been established, the Government understands that there are still various barriers deterring consumers and businesses for adopting solar PV. In particular, it may be difficult for many to justify spending money first to save on electricity. In addition, financing may be another issue. In February 2020, an online marketplace called buySolar was launched to enable both residential customers and businesses to purchase solar panels with financing options.

A Green Technology Financing Scheme ("**GTFS**") has also been set up under the National Green Technology Policy for the provision of financial support to all stakeholders within the green technology industry, including those in the solar PV industry. In the revised Budget 2023, the Government will continue to implement the GTFS with an increased fund size of RM3 billion until 2025, while the Green Investment Tax Allowance and Green Income Tax Exemption incentives will be studied and improved.

(Source: Independent Market Researcher's Report by Protégé)

7.4 Overview and outlook of consumer electronics industry in Malaysia

Despite the disruptions caused by the Covid-19 pandemic, the consumer electronics industry in Malaysia remained resilient. Although faced with challenges such as global supply chain disruptions, economic uncertainties, and changes in consumer behaviour, the industry continued to grow robustly. The manufacturing of consumer electronics goods in terms of sales value, increased by 11.0% from RM38.59 billion in 2021 to RM42.85 billion in 2022. However, the sales value of local manufactured of consumer electronics goods is estimated to moderate by -1.3% to RM42.28 billion in 2023 due to subdued consumer spending that arise from rising inflation. In 2024, the sales value of local manufactured of consumer electronics goods is forecast to grow marginally by 1.9% to RM43.67 billion amidst sustained high inflation coupled with expected hikes in utility tariffs as well as the impending subsidy rationalisation which may result in subdued consumer spending. In terms of export, Malaysia's export value of electrical and electronic products also recorded a 18.6% growth from RM455.95 billion in 2021 to RM540.67 billion in 2022. The export value of electrical and electronic products is estimated to register 6.8% growth to RM577.57 billion in 2023 amidst slowdown in external demand. In 2024, the export value of electrical and electronic products is forecast to grow by 4.0% to RM600.67 billion on the back of improving global demand and recovery in the tech downturn cycle and increasing demand for chips for electric vehicle, artificial intelligence and fifth generation (5G) technology.

The consumer electronics industry in Malaysia is expected to be driven by several key factors, such as the growing affluence of the general population, changing preference of consumer in favour of smart consumer electronics products and positive development in the property industry. Firstly, the demand for the consumer electronics products is closely tied to disposable income and the affluence level of the general population. In 2022, the gross national income per capita of Malaysia increased by 14.4% from RM46,163.00 in 2021 to RM52,819.00. Thus, there will likely be increased demand for essential and non-essential products including consumer electronics.

Besides that, the rapid technological advancement will give rise to smart consumer electronics products that are incorporated with the latest IoT technology that allows remote operations of the products. The consumer electronics industry is expected to continue to witness product innovation and increasing sophistication of various functions and features, driving a demand for consumer electronics products. Furthermore, the incoming supply of 411,911 new residential units for the year 2022 will also contribute to the increasing demand for consumer electronics products. This is particularly the case because most of the new homeowners will need to purchase consumer electronics products to furnish their homes before moving in.

The Malaysian Investment Development Authority has been instrumental in creating a conducive ecosystem for the various consumer electronics and its' related components manufacturer to set up their regional centres in Malaysia. With that in mind, Malaysia has seen total investments worth RM264.63 billion approved for 2022. The services and manufacturing sectors constituted the two biggest investment value with RM154.97 billion and RM84.27 billion worth of investments approved respectively for 2022. There are various firms involved in electrical and electronics manufacturing currently exploring the business potential that can be further derived from new growth areas such as e-Commerce, automation, IoT, and artificial intelligence, thus accelerating the progress towards Industry 4.0.

Going forward, the demand of consumer electronics to remain strong, fuelled by the introduction of advanced and innovative products such as robotic vacuum with enhanced functionalities, smartphone with foldable screens, wearable health tech, and home automation systems. The consumer electronic industry in Malaysia has shown resilience despite ongoing challenges such as weak consumer demand, economic uncertainties and slowdown down in the external demand. Whilst these factors may continue to impact the industry's growth in the near term, the Malaysia economy is projected to grow by between 4.0% to 5.0% in 2024, indicating a relatively stable economic condition that could boost consumer confidence and demand for consumer electronics products.

(Source: Independent Market Researcher's Report by Protégé)

7.5 Future prospects of our Group

FEHB Group is principally engaged in the Petroleum Trading Business and the Renewable Energy Business. The Petroleum Trading Business segment has been our Group's largest revenue contributor for the recent financial years, but has also been loss making. Our Group's Petroleum Trading Business has been adversely affected by various changes in the global economic and the oil bunkering industry, such as oil price volatility, demand for oil and petroleum products due to the Russia-Ukraine war. In view of the above, our Board opines that it is in the best interest of our Group to undertake the Diversification (which was approved by the shareholders of our Company during the EGM convened on 17 October 2023), in order to provide our Group with additional income streams in order to reduce our Group's reliance on its Petroleum Trading Business.

As set out in **Section 7.4** of this Abridged Prospectus, the consumer electronics industry is anticipated to remain strong, in line with the projected growth of the Malaysian economy between from 4.0% to 5.0% in 2023 and is expected to be driven by several key factors, such as the introduction of advanced and innovative products. Premised on the distributorship agreement dated 20 March 2023, with a tenure of 5 years commencing from 20 March 2023 entered into between FTSB and Great Work Corporation Ltd and the successful launch of FreeYond's products in Malaysia on 21 March 2023, our Group intends to explore business expansion/ future viable investment opportunities in strategic locations such as Thailand and Indonesia.

As set out in **Section 4** of this Abridged Prospectus, our Group is currently focused on expanding its operations across its Petroleum Trading Business and Consumer Electronics Business. Based on the distributor agreement dated 20 March 2023 entered between FTSB and Great Work Corporation Ltd, Great Work Corporation Ltd has granted the sole and exclusive distributor right to FTSB to distribute and sell FreeYond's mobile devices in Malaysia as well as the first right to be appointed as the distributor of FreeYond's mobile devices in Indonesia, Thailand and Singapore. Our Group is in the midst of establishing a team in Indonesia, which has commenced in end August 2023 to facilitate the aforementioned expansion.

Furthermore, the Rights Issue with Warrants is undertaken to raise maximum proceeds of approximately RM21.80 million. To support the development of the Petroleum Trading Business and the Consumer Electronics Business of our Group, it will from time to time require more funding for its operations. As such, our Board has earmarked up to approximately RM21.22 million of the proceeds from the Rights Issue with Warrants to fund its working capital requirements accordingly. Premised on the above, and in line with our Group's objective to improve its overall financial performance moving forward, the Rights Issue with Warrants will allow our Group to raise funds on an expeditious manner to potentially improve the market share of its products. For clarification purposes, the proceeds raised is to be utilised for working capital of our Group (i.e. Petroleum Trading Business and marketing purposes for the Consumer Electronics Business). In line with our Company's marketing endeavors, a higher take up rate for its products is anticipated as a result of our Company's efforts aimed at expanding market presence and customer base. Accordingly, our Group anticipates a growth in the market share of its products.

As illustrated in **Section 8.2** of this Abridged Prospectus, upon completion of the Rights Issue with Warrants, the NA of FEHB Group will increase from RM123.06 million as at 31 December 2022 to RM126.40 million (under the Minimum Scenario) or RM158.00 million (under the Maximum Scenario). The enlarged capital base and financial footing of our Group is expected to enable FEHB to better compete in the maritime industry and consumer electronics industry.

Barring any unforeseen circumstances, after having considered all the relevant aspects including the current business operations, the abovementioned prospects and the consumer industry outlook, the Rights Issue with Warrants allows our Group to raise fresh funds and future immediate utility to carry out its existing business (i.e. Petroleum Trading Business) and to undertake the Diversification to diversify and expand our Group's source of earnings via generating an additional stream of revenue and income from our Group's new Consumer Electronics Business, which in turn is expected to place our Group in a better financial footing moving forward as well as deliver greater value to the shareholders of our Company and potentially generate positive returns to our Group which in turn be adequate to turnaround the financial condition of our Group as well as to grow and further improve the financial performance of our Group moving forward.

(Source: Management of FEHB)

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8. FINANCIAL EFFECTS OF THE RIGHTS ISSUE WITH WARRANTS

8.1 Issued share capital

The pro forma effects of the Rights Issue with Warrants on the issued share capital of FEHB are set out as follows:-

| | Minimum Scenario | | Maximum Scenario | |
|---|--------------------|-------------------------|--------------------|--------------------------|
| | No. of Shares | RM | No. of Shares | RM |
| Issued share capital as at the LPD | 215,281,192 | 141,240,285 | 215,281,192 | 141,240,285 |
| Assuming full exercise of Warrants A ^{*1} | - | - | 14,532,219 | 13,078,997 |
| Assuming full exercise of ESOS ^{*2} | - | - | 12,379,526 | 1,755,417 |
| | 215,281,192 | 141,240,285 | 242,192,937 | 156,074,699 |
| Rights Shares to be issued pursuant to the Rights Issue with Warrants | 22,222,223 | 1,676,667 ^{*3} | 242,192,937 | 18,273,457 ^{*3} |
| | 237,503,415 | 142,916,952 | 484,385,874 | 174,348,156 |
| Shares to be issued arising from the full exercise of Warrants B | 11,111,111 | 1,000,000 ^{*4} | 121,096,468 | 10,898,682 ^{*4} |
| Reversal of warrant reserve pursuant to the full exercise of Warrants B | - | 323,333 ^{*5} | - | 3,523,907 ^{*5} |
| Enlarged issued share capital | 248,614,526 | 144,240,285 | 605,482,342 | 188,770,745 |

Notes:-

- *1 Assuming all outstanding Warrants A are exercised at the exercise price of RM0.90 per Warrant A
- *2 Assuming all remaining available ESOS options are granted and exercised at the illustrative exercise price at RM0.1418 per ESOS option, representing 9.97% discount to the 5-day VWAP of RM0.1575 per FEHB Share
- *3 Computed based on the issue price of RM0.09 per Rights Share and adjusted for the apportionment of its relative fair value between the share capital account and the warrant reserve account
- *4 Computed based on the exercise price of RM0.09 per Warrant B
- *5 Computed based on the number of Warrants B multiplied by the theoretical fair value of RM0.0291 per Warrant B based on the trinomial option pricing model as extracted from Bloomberg as at the LPD

8.2 NA and gearing level

For illustration purposes only, the pro forma effects of the Rights Issue with Warrants on the latest unaudited consolidated NA per Share and gearing ratio of our Group are set out as follows:-

Minimum Scenario

| | I | II |
|---|--|---|
| Unaudited as at 30 September 2023 RM'000 | After the Rights Issue with Warrants* ¹ RM'000 | After I and assuming full exercise of the Warrants B* ³ RM'000 |
| Share capital | 141,240 | 142,917 |
| Discount on equity | (5,336) | (5,336) |
| Warrant reserves | 5,336 | 5,659 |
| Accumulated losses | (16,653) | (17,233) ^{*2} |
| Shareholders' fund/ NA | 124,587 | 126,007 |
| Non-controlling interest | 1,312 | 1,312 |
| Total equity | 125,899 | 128,319 |
| No. of Shares in issue ('000) | 215,281 | 237,503 |
| NA per Share (RM) | 0.58 | 0.53 |
| Total borrowings (RM'000) | 3,250 | 3,250 |
| Gearing ratio (times) | 0.03 | 0.03 |

Notes:-

- *1 Computed based on the subscription of 22,222,223 Rights Shares at the issue price of RM0.09 per Rights Share pursuant to the Rights Issue with Warrants and adjusted for the apportionment of its relative fair value between the share capital account and the warrant reserve account, and the recognition of 11,111,111 Warrants B at the theoretical fair value of RM0.0291 per Warrant B based on the trinomial option pricing model as extracted from Bloomberg as at the LPD
- *2 After deducting the estimated expenses of approximately RM0.58 million in relation to the Corporate Exercises
- *3 Assuming all 11,111,111 Warrants B are exercised at the exercise price of RM0.09 per Warrant B under the Minimum Scenario and the corresponding partial reversal of the warrant reverse to share capital amounting to approximately RM0.32 million

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Maximum Scenario

| | I | II | III |
|---|---|---|---|
| Unaudited as at 30 September 2023 RM'000 | Assuming all of the Warrants A and ESOS options are exercised* ¹ RM'000 | After I and the Rights Issue with Warrants* ² RM'000 | After II and assuming full exercise of the Warrants B* ⁴ RM'000 |
| Share capital | 141,240 | 156,075 | 174,348 |
| Discount on equity | (5,336) | - | - |
| Warrant reserves | 5,336 | - | 3,524 |
| Accumulated losses | (16,653) | (16,653) | (17,233) ³ |
| Shareholders' fund/ NA | 124,587 | 139,422 | 160,639 |
| Non-controlling interest | 1,312 | 1,312 | 1,312 |
| Total equity | 125,899 | 140,734 | 161,951 |
| No. of Shares in issue ('000) | 215,281 | 242,193 | 484,386 |
| NA per Share (RM) | 0.58 | 0.58 | 0.33 |
| Total borrowings (RM'000) | 3,250 | 3,250 | 3,250 |
| Gearing ratio (times) | 0.03 | 0.02 | 0.02 |

Notes:-

- *1 Assuming all outstanding Warrants A are exercised at the exercise price of RM0.90 per Warrant A and all remaining available ESOS options are granted and exercised at the illustrative exercise price at RM0.1418 per ESOS option, representing 9.97% discount to the 5-day VWAP of RM0.1575 per FEHB Share
- *2 Computed based on the subscription of 242,192,937 Rights Shares at the issue price of RM0.09 per Rights Share pursuant to the Rights Issue with Warrants and adjusted for the apportionment of its relative fair value between the share capital account and the warrant reserve account, and the recognition of 121,096,468 Warrants B at the theoretical fair value of RM0.0291 per Warrant B based on the trinomial option pricing model as extracted from Bloomberg as at the LPD
- *3 After deducting the estimated expenses of approximately RM0.58 million in relation to the Corporate Exercises
- *4 Assuming all 121,096,468 Warrants B are exercised at the exercise price of RM0.09 per Warrant B under the Maximum Scenario and the corresponding partial reversal of the warrant reverse to share capital amounting to approximately RM3.52 million

8.3 Earnings and EPS

The Rights Issue with Warrants which is expected to be completed in the first quarter of 2024, is not expected to have any material effect on the earnings and EPS of our Group for the FYE 31 December 2024. However, there will be a dilution in the EPS of our Group for the FYE 31 December 2024 due to the increase in the number of Shares in issue arising from the Rights Issue with Warrants. Notwithstanding that, the Rights Issue with Warrants is expected to contribute positively to the future earnings of our Group in the ensuing financial year(s) via the utilisation of the proceeds as set out in **Section 4** of this Abridged Prospectus.

Purely for illustrative purposes only, assuming the Rights Issue with Warrants had been completed at the beginning of the 9-month FPE 30 September 2023, the pro forma effects on the basic LPS of our Group as a result of the issuance of the Rights Shares with Warrants B are set out below:-

Minimum Scenario

| | Unaudited as at 30 September 2023 | I After the Rights Issue with Warrants | II After I and assuming full exercise of the Warrants B |
|--|---|---|---|
| LAT attributable to shareholders of our Company (RM'000) | (3,917) | (3,917) | (3,917) |
| No. of Shares issued ('000) | 215,281 | 237,503 | 248,615 |
| Basic LPS (sen) | (1.82) | (1.65) | (1.58) |

Maximum Scenario

| | Unaudited as at 30 September 2023 | I After assuming all of the Warrants A and ESOS options are exercised | II After I and the Rights Issue with Warrants | III After II and assuming full exercise of the Warrants B |
|--|---|---|---|---|
| LAT attributable to shareholders of our Company (RM'000) | (3,917) | (3,917) | (3,917) | (3,917) |
| No. of Shares issued ('000) | 215,281 | 242,193 | 484,386 | 605,482 |
| Basic LPS (sen) | (1.82) | (1.62) | (0.81) | (0.65) |

8.4 Convertible securities

As at the LPD, save for the existing ESOS, for which no options have been issued as at LPD and the outstanding Warrants A, our Company does not have any other outstanding convertible securities.

ESOS options

The Rights Issue with Warrants may give rise to adjustments to the exercise price and/ or number of outstanding ESOS options pursuant to the bylaws constituting the ESOS options.

Any adjustment which is required will be made in accordance with the provisions of the bylaws to mitigate any potential equity dilution resulting from the Rights Issue with Warrants and to ensure that the status of the holders of the outstanding ESOS options are not prejudiced after the completion of the said proposal. Any such adjustment will only be finalised on the Entitlement Date.

Warrants A

Consequential to the Rights Issue with Warrants, the exercise price and/ or number of Warrants A which are not exercised prior to the Entitlement Date may be adjusted in accordance to the provisions of the Deed Poll A to ensure that the status of the holders of Warrants A are not prejudiced as a result of the Rights Issue with Warrants.

For illustrative purposes of the adjustments to Warrants A arising from the Rights Issue with Warrants, the following key parameter assumptions are adopted:-

- i. the Entitlement Date is assumed on the LPD;
- ii. the issue price of the Rights Shares of RM0.09;
- iii. the exercise price of each Warrant A of RM0.90;
- iv. the formula as provided in Deed Poll A:-

$$\text{New exercise price} = \frac{S \times [(G \times C) + (H \times I) + (J \times K)]}{(G + H + J) \times C}$$

$$\text{Additional number of Warrant A to be issued} = \frac{T \times [(G + H^*) \times C]}{(G \times C) + (H^* \times I^*)} - T$$

where:

- C = The current market price of each FEHB Share on the market day immediately preceding the date of the announcement of Entitlement Date of the Rights Issue with Warrants
- G = The aggregate number of FEHB Shares in issue and fully paid-up on the Entitlement Date
- H = The aggregate number of new FEHB Shares to be issued pursuant to the subscription of Rights Shares or the aggregate number of new FEHB Shares to be issued upon exercise of Warrants B
- H* = The aggregate number of new FEHB Shares to be issued pursuant to the subscription of Rights Shares
- I = The issue price for 1 Rights Share or exercise price of 1 Warrant B
- I* = The issue price of the Rights Share
- J = The aggregate number of new FEHB Shares to be issued to the ordinary shareholders of FEHB arising from the exercise of Warrants B
- K = Exercise price of Warrant B
- S = Existing exercise price of Warrants A
- T = Existing number of Warrants A

- v. the Rights Issue with Warrants has been undertaken on the Minimum Scenario and Maximum Additional Warrants A Scenario.

For illustrative purpose, the adjustment of the exercise price and number of Warrants A under the Minimum Scenario and Maximum Additional Warrants A Scenario based on the above parameters are as follows:-

Minimum Scenario

$$\begin{aligned} \text{New exercise price} &= \frac{0.90 \times [(215,281,192 \times 0.15) + (22,222,223 \times 0.09) + (11,111,111 \times 0.09)]}{(215,281,192 + 22,222,223 + 11,111,111) \times 0.15} \\ &= \text{RM0.85 (rounded down to the nearest 1 sen in accordance to the provisions of the Deed Poll A)} \\ \text{Additional number of Warrant A to be issued} &= \frac{14,532,219 \times [(215,281,192 + 22,222,223) \times 0.15]}{(215,281,192 \times 0.15) + (22,222,223 \times 0.09)} - 14,532,219 \\ &= 565,035 \text{ Additional Warrants A (rounded down in accordance to the provisions of the Deed Poll A)} \end{aligned}$$

Maximum Additional Warrants A Scenario

$$\begin{aligned} \text{New exercise price} &= \frac{0.90 \times [(215,281,192 \times 0.15) + (215,281,192 \times 0.09) + (107,640,596 \times 0.09)]}{(215,281,192 + 215,281,192 + 107,640,596) \times 0.15} \\ &= \text{RM0.68 (rounded down to the nearest 1 sen in accordance to the provisions of the Deed Poll A)} \\ \\ \text{Additional number of Warrant A to be issued} &= \frac{14,532,219 \times [(215,281,192 + 215,281,192) \times 0.15]}{(215,281,192 \times 0.15) + (215,281,192 \times 0.09)} - 14,532,219 \\ &= 3,633,054 \text{ Additional Warrants A (rounded down in accordance to the provisions of the Deed Poll A)} \end{aligned}$$

Notwithstanding the above, Rule 6.51 of the Listing Requirements states that a listed issuer must ensure that the number of new shares which will arise from the exercise or conversion of all outstanding convertible equity securities, does not exceed 50% of the total number of issued shares of the listed issuer (excluding treasury shares and before the exercise of the convertible equity securities) at all times.

The number of Additional Warrants A after the Rights Issue with Warrants, based on the aforementioned scenarios, are as follows:-

| | Minimum Scenario | Maximum Additional Warrants A Scenario |
|---|-------------------------|---|
| Existing number of Warrants A | 14,532,219 | 14,532,219 |
| Additional Warrants A as computed from the formula | 565,035 | 3,633,054 |
| Warrants B to be issued pursuant to the Rights Issue with Warrants | 11,111,111 | 107,640,596 |
| Total number of convertible equity securities (A) | 26,208,365 | 125,805,869 |
| Issued share capital of our Company after the Rights Issue with Warrants (B) | 237,503,415 | 430,562,384 |
| Maximum number of new shares allowed from exercise of convertible equity securities (A)/ (B) | 11.03% | 29.22% |

Based on the above, the 50% threshold under Rule 6.51 of the Listing Requirements will not be breached under all aforementioned scenarios.

Notwithstanding the above which are shown for illustrative purposes only based on the stated parameter assumptions, such adjustments arising from the Rights Issue with Warrants will only be finalised on the Entitlement Date. Any adjustment which is required will be made in accordance with the provisions of the Deed Poll A to mitigate any potential equity dilution resulting from the Rights Issue with Warrants and to ensure that the status of the holders of the outstanding Warrants A are not prejudiced after the completion of the Rights Issue with Warrants.

A notice of adjustments with the details on the actual adjustments made to the exercise price and number of Warrants A held by each holder of Warrants A will be issued and dispatched to the holders of Warrants A within 21 Market Days from the effective date of such adjustments.

9. WORKING CAPITAL, BORROWINGS, CONTINGENT LIABILITIES, MATERIAL COMMITMENTS AND MATERIAL TRANSACTIONS

9.1 Working capital

Our Group's working capital requirements is funded by a combination of internal and external sources of funds. Our internal sources of funds are generated from our operating activities as well as our cash and bank balances, whereas our external sources of funds are derived from credit extended by suppliers and credit facilities from licensed financial institutions.

As at the LPD, our Group has a total cash and bank balances of approximately RM13.46 million as well as fixed deposits with licensed banks of approximately RM0.51 million.

Our Board is of the opinion that, after taking into consideration the funds generated from our operations, existing cash and bank balances and the banking facilities available to our Group as well as the proceeds to be raised from the Rights Issue with Warrants as set out in **Section 4** of this Abridged Prospectus, we will have sufficient working capital for a period of 12 months from the date of this Abridged Prospectus.

9.2 Borrowings

As at the LPD, our Group has total outstanding short term borrowings of approximately RM4.70 million and has no long term and/ or foreign borrowings. All of our borrowings are interest-bearing, further details of which are set out as follows:-

| Purpose of facility | | Weighted average interest rate % | Outstanding as at the LPD RM'000 |
|--------------------------------|--|----------------------------------|----------------------------------|
| Short term borrowings:- | | | |
| Invoice financing facility | Working capital for purchasing of petroleum products | 5.59 | 4,700 |
| Total | | | 4,700 |

There have been no default on payments by our Group of either interest and/ or principal sums in respect of any borrowings during the FYE 31 December 2022 and the subsequent financial period up to the LPD.

9.3 Contingent liabilities

As at the LPD, there are no contingent liabilities incurred or known to be incurred which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

9.4 Material commitments

As at the LPD, our Board confirms that there are no material commitments for capital expenditure incurred or known to be incurred by our Group which, upon becoming enforceable, may have a material impact on the financial results/ position of our Group.

9.5 Material transactions

Save for the Rights Issue with Warrants, there are no material transactions which may have a material effect on the operations, financial position and results of our Group since our Group's latest audited consolidated financial statements for the FYE 31 December 2022 and our Group's most recent announced unaudited interim consolidated financial statements for the 9-month FPE 30 September 2023.

10. INSTRUCTIONS FOR ACCEPTANCE, PAYMENT, SALE/ TRANSFER AND EXCESS APPLICATION

Full instructions for the acceptance of and payment for the Provisional Rights Shares with Warrants B as well as Excess Rights Shares with Warrants B and the procedures to be followed should you and/ or your renouncee(s) and/ or your transferee(s) (if applicable) wish to sell or transfer all or any part of your Provisional Rights Shares with Warrants B as well as instructions to apply for Excess Rights Shares with Warrants B are set out in this Abridged Prospectus and the accompanying RSF.

You and/ or your renouncee(s) and/ or your transferee(s) (if applicable) are advised to read this Abridged Prospectus, the accompanying RSF and the notes and instructions contained therein carefully. In accordance with the CMSA, the RSF must not be circulated unless accompanied by this Abridged Prospectus.

Acceptance of and payment for the Provisional Rights Shares with Warrants B which do not conform strictly to the terms of this Abridged Prospectus, the RSF or the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of our Board.

10.1 General

As you are an Entitled Shareholder, you will find enclosed with this Abridged Prospectus, the NPA notifying you of the crediting of such number of Provisional Rights Shares with Warrants B into your CDS Account and the RSF to enable you to subscribe for such Provisional Rights Shares with Warrants B as well as to apply for the Excess Rights Shares with Warrants B if you choose to do so.

This Abridged Prospectus and the RSF are also available at the registered office of our Company, the Share Registrar's website at <https://www.shareworks.com.my> or on Bursa Securities' website at <https://www.bursamalaysia.com>.

10.2 NPA

The Provisional Rights Shares with Warrants B are prescribed securities under Section 14(5) of the SICDA and therefore, all dealings in the Provisional Rights Shares with Warrants B will be by book entries through CDS Accounts and will be governed by the SICDA and the Rules of Bursa Depository. As an Entitled Shareholder, you and/ or your renouncee(s) and/ or transferee(s) (if applicable) are required to have valid and subsisting CDS Accounts when making the applications to subscribe for the Provisional Rights Shares with Warrants B or to apply for Excess Rights Shares with Warrants B.

10.3 Last date and time for acceptance and payment

The last date and time for acceptance and payment for the Provisional Rights Shares with Warrants B and the Provisional Rights Shares with Warrants B is **5.00 p.m. on Thursday, 22 February 2024**.

Within 5 Market Days after the Closing Date, our Company will make the relevant announcement on Bursa Securities' website in relation to the subscription rate of the Rights Issue with Warrants and the outcome of the allocation of the Excess Rights Shares with Warrants B, if any.

10.4 Methods of acceptance and application

You may subscribe for the Provisional Rights Shares with Warrants B as well as apply for Excess Rights Shares with Warrants B, if you choose to do so, using either of the following methods:-

| Method | Category of Entitled Shareholders |
|--------|-----------------------------------|
| RSF | All Entitled Shareholders |
| e-RSF | All Entitled Shareholders |

10.5 Procedures for acceptance and payment

10.5.1 By way of RSF

Acceptance of and payment for the Provisional Rights Shares with Warrants B must be made on the RSF enclosed with this Abridged Prospectus and must be completed in accordance with the notes and instructions contained in the RSF. Acceptances and/ or payments which do not conform to the terms of this Abridged Prospectus, the RSF and the notes and instructions contained therein or which are illegible may not be accepted at the absolute discretion of our Board.

If you and/ or your renounee(s) and/ or transferee(s) (if applicable) wishes to accept the Provisional Rights Shares with Warrants B, either in full or in part, please complete Parts I(A) and II of the RSF in accordance with the notes and instructions contained in the RSF. Each completed and signed RSF together with the relevant payment must be sent to our Share Registrar using the reply envelope provided (at your own risk) by ordinary post, courier or delivery by hand at the following address:-

ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Telephone number: 03-6201 1120
Email : ir@shareworks.com.my

so as to arrive not later than **5.00 p.m. on Thursday, 22 February 2024.**

If you, your renounee(s) and/ or transferee(s) (if applicable) lose, misplace or for any other reasons require another copy of the RSF, you, your renounee(s) and/ or transferee(s) (if applicable) may obtain additional copies from your stock broker, our Share Registrar at the address stated above, at our registered office or the website of Bursa Securities (<https://www.bursamalaysia.com>).

1 RSF can only be used for acceptance of Provisional Rights Shares with Warrants B standing to the credit of 1 CDS Account. Separate RSFs must be used for the acceptance of Provisional Rights Shares with Warrants B standing to the credit of more than 1 CDS Account. If successful, the Rights Shares with Warrants B subscribed by you and/ or your renounee(s) and/ or transferee(s) (if applicable) will be credited into the CDS Account(s) as stated in the completed RSF(s).

A reply envelope is enclosed with this Abridged Prospectus. To facilitate the processing of the RSF by the Share Registrar, you are advised to use 1 reply envelope for each completed RSF.

You should take note that a trading board lot for the Rights Shares with Warrants B will comprise 100 Rights Shares and 100 Warrants B respectively.

Successful applicants of the Rights Shares will be given free Warrants B on the basis of 1 Warrants B for every 2 Rights Shares successfully subscribed for. The minimum number of Provisional Rights Shares with Warrants B that can be subscribed for is 1 Rights Share. Fractions of Rights Shares with Warrants B, if any, shall be disregarded and dealt with in such manner as our Board shall in their absolute discretion deem fit, expedient and in the best interest of our Company.

If acceptance and payment for the Provisional Rights Shares with Warrants B (whether in full or in part) is not received by our Share Registrar by **5.00 p.m. on Thursday, 22 February 2024**, being the last time and date for acceptance and payment, you and/ or your renounee(s) and/ or transferee(s) (if applicable) will be deemed to have declined the Provisional Rights Shares with Warrants B and it will be cancelled. Our Board will then have the right to allot such Rights Shares with Warrants B not taken up to applicants who have applied for Excess Rights Shares with Warrants B in the manner set out in **Section 10.8** of this Abridged Prospectus. Our Board reserves the right to accept any application in full or in part only without assigning any reasons.

EACH COMPLETED RSF MUST BE ACCOMPANIED BY REMITTANCE MADE IN RM FOR THE FULL AMOUNT PAYABLE FOR THE PROVISIONAL RIGHTS SHARES WITH WARRANTS B ACCEPTED IN THE FORM OF BANKER'S DRAFT(S) OR CASHIER'S ORDER(S) DRAWN ON A BANK IN MALAYSIA CROSSED "ACCOUNT PAYEE ONLY" AND MADE PAYABLE TO "FAST ENERGY RIGHTS ISSUE ACCOUNT" AND ENDORSED ON THE REVERSE SIDE WITH YOUR NAME IN BLOCK LETTERS, CONTACT NUMBER AND CDS ACCOUNT NUMBER SO AS TO BE RECEIVED BY OUR SHARE REGISTRAR BY THE CLOSING DATE.

APPLICATIONS ACCOMPANIED BY PAYMENTS OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD. DETAILS OF THE REMITTANCES MUST BE FILLED IN THE APPROPRIATE BOXES PROVIDED IN THE RSF.

NO ACKNOWLEDGEMENT OF RECEIPT OF THE RSF OR APPLICATION MONIES WILL BE MADE BY OUR COMPANY OR OUR SHARE REGISTRAR IN RESPECT OF THE RIGHTS SHARES WITH WARRANTS B. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS AS SHOWN IN OUR RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

YOU SHOULD NOTE THAT THE RSF AND REMITTANCES SO LODGED WITH OUR SHARE REGISTRAR SHALL BE IRREVOCABLE AND CANNOT BE SUBSEQUENTLY WITHDRAWN. APPLICATIONS SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT.

WHERE AN APPLICATION IS NOT ACCEPTED OR ACCEPTED ONLY IN PART, THE FULL AMOUNT OR THE BALANCE OF THE APPLICATION MONIES, AS THE CASE MAY BE, SHALL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED TO YOU BY ORDINARY POST TO THE ADDRESS SHOWN IN THE RECORD OF DEPOSITORS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

ALL RIGHTS SHARES WITH WARRANTS B TO BE ISSUED PURSUANT TO THE RIGHTS ISSUE WITH WARRANTS WILL BE ALLOTTED BY WAY OF CREDITING SUCH RIGHTS SHARES WITH WARRANTS B INTO THE CDS ACCOUNTS OF THE ENTITLED SHAREHOLDERS AND/ OR THEIR RENOUNCEE(S) AND/ OR TRANSFEREE(S) (IF APPLICABLE). NO PHYSICAL SHARE OR WARRANT CERTIFICATES WILL BE ISSUED.

10.5.2 By way of electronic submission of the e-RSF

The electronic submission of the e-RSF is available to you, your renounee(s) and/ or transferee(s) upon your login to the Share Registrar's Investor Portal at <https://www.shareworks.com.my>. You are advised to read the instructions as well as the terms and conditions of the electronic submission of the e-RSF.

The electronic submission of the e-RSF is available to all Entitled Shareholders who are registered users of the Share Registrar's Investor Portal at <https://www.shareworks.com.my>. You are no longer required to complete and lodge the physical RSF to ShareWorks Sdn Bhd for the Rights Issue with Warrants, if you have successfully lodged the e-RSF on the acceptance for the Provisional Rights Shares with Warrants B and Excess Application by way of electronic submission of e-RSF.

Entitled Shareholders who wish to subscribe for the Rights Shares with Warrants B and apply for the Excess Rights Shares with Warrants B by way of electronic submission of the e-RSF, shall take note of the following:-

- a. the electronic submission of the e-RSF will be closed at **5.00 p.m. on Thursday, 22 February 2024**. All valid electronic submission of the e-RSF received by the Share Registrar is irrevocable and cannot be subsequently withdrawn;
- b. the electronic submission of the e-RSF must be made in accordance with the procedures and terms and conditions of the electronic submission of the e-RSF, this Abridged Prospectus and the notes and conditions contained in the RSF. Any incomplete or incorrectly completed e-RSF submitted via the Share Registrar's Investor Portal may or may not be accepted at the absolute discretion of our Board.
- c. your application for the Rights Shares with Warrants B and Excess Rights Shares with Warrants B must be accompanied by the remittance in RM via internet bank transfer, the bank account details as follows:-

Name of Bank: Hong Leong Bank Berhad
 Name of Account: FAST ENERGY RIGHTS ISSUE ACCOUNT
 Bank Account No.: 39500062965

You are required to pay an additional fee of RM15.00 being the stamp duty and handling fee for each electronic submission of the e-RSF.

- d. All Entitled Shareholders who wish to submit by way of electronic submission of the e-RSF are required to follow the procedures and read the terms and conditions as stated below:-

i. Procedures

| | Procedures | Action |
|----|---|--|
| | User registration | |
| 1. | Register as a user with the Investor Portal | <ul style="list-style-type: none"> • Access the website at https://www.shareworks.com.my. Click Investor Portal. Refer to the online help tutorial for assistance. • Read and agree to the terms and conditions and confirm the declaration. • Upon submission of your registration, your account will be activated within one working day. |

| | | |
|---------------------------------------|---|--|
| | | <ul style="list-style-type: none"> If you have already registered an account with Investor Portal, you are not required to register again. |
| Electronic submission of e-RSF | | |
| 2. | Sign in to Investor Portal | <ul style="list-style-type: none"> Login with your user ID and password for electronic submission of the e-RSF before the Closing Date. |
| 3. | Complete the electronic submission of e-RSF | <ul style="list-style-type: none"> Open the corporate exercise "RIGHTS ISSUE FOR FAST ENERGY HOLDINGS BERHAD". Key in your full name, CDS account number, contact number, the number of units for acceptance of your Rights Shares with Warrants B and Excess Rights Shares with Warrants B (if you choose to apply for additional Rights Shares with Warrants B). Upload the proof of payment(s) and print your e-RSF for your reference and record. Ensure all information in the form is accurate and then submit the form. |

If you encounter any problems during the registration or submission, please email our Share Registrar at support@shareworks.com.my for assistance.

ii. Terms and conditions of the electronic submission of the e-RSF

By submitting your acceptance of the Rights Shares with Warrants B and Excess Application (if applicable) by way of electronic submission of the e-RSF:-

A. You acknowledge that your submission by way of electronic submission of the e-RSF is subject to the risks of electrical, electronic, technical, transmission, communication and computer related faults and breakdowns, fires and other events beyond our control or our Share Registrar and irrevocably agree that if:-

- i. our Company or our Share Registrar does not receive your electronic submission of the e-RSF; or
- ii. data on the e-RSF is wholly or partially lost, corrupted or inaccessible, or not transmitted, your electronic submission of the e-RSF will be deemed as failed and not to have been made.

Our Company and our Share Registrar will not be held liable for any delays, failures or inaccuracies in the processing of your electronic submission of the e-RSF due to the above reasons and you further agree that you may not make any claims whatsoever against us or our Share Registrar for any loss, compensation or damage in relation to the unsuccessful or failure of your electronic submission of the e-RSF.

- B. You will ensure that all information provided by you in the e-RSF is identical with the information in the records of Bursa Depository and further agree and confirm that in the event the said information differs from the records of Bursa Depository, your application by way of electronic submission of the e-RSF may be rejected at the absolute discretion of our Board without assigning any reason.
- C. You agree that your application shall not be deemed to have been accepted by reason of the remittance have been made.
- D. You agree that all the Rights Shares with Warrants B to be issued pursuant to the Rights Issue with Warrants will be allotted by way of crediting the Rights Shares with Warrants B into your CDS Account. No physical share or warrant certificates will be issued.
- E. You agree that our Company and our Share Registrar reserve the right to reject your application which does not conform to these terms and conditions.
- F. If your application is successful, a notice of allotment will be issued and despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk within 8 Market Days from the Closing Date.
- G. Where your application is not accepted or accepted only in part, the full amount or the balance of the application monies, as the case may be, shall be refunded without interest by banker's cheque within 15 Market Days from the Closing Date and will be despatched by ordinary post to the address as shown in the Record of Depositors provided by Bursa Depository at your own risk.

10.6 Procedures for part acceptance

You are entitled to accept part of your Provisional Rights Shares with Warrants B, provided always that the minimum number of Rights Shares that may be subscribed or accepted is 1 Rights Shares. Fractions of Rights Shares with Warrants B, if any, shall be disregarded and dealt with in such manner as our Board shall in their absolute discretion deem fit, expedient and in the best interests of our Company.

You must complete both Part I(A) and II of the RSF by specifying the number of Rights Shares with Warrants B which you are accepting and deliver the completed and signed RSF together with the relevant payment to our Share Registrar in the same manner as set out in **Section 10.5** of this Abridged Prospectus.

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

10.7 Procedures for sale or transfer of the Provisional Rights Shares with Warrants B

As the Provisional Rights Shares with Warrants B are prescribed securities, should you wish to sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants B to 1 or more persons, you may do so through your stockbroker without first having to request for a split of the Provisional Rights Shares with Warrants B standing to the credit of your CDS Account. To sell or transfer all or part of your entitlement to the Provisional Rights Shares with Warrants B, you may sell such entitlement in the open market during the period up to the last date and time for sale or transfer of the Provisional Rights Shares with Warrants B (in accordance with the Rules of Bursa Depository) or transfer such entitlement to such persons as may be allowed under the Rules of Bursa Depository during period up to the last date and time for transfer of the Provisional Rights Shares with Warrants B (in accordance with the Rules of Bursa Depository).

YOU ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF. IN SELLING OR TRANSFERRING ALL OR PART OF YOUR PROVISIONAL RIGHTS SHARES WITH WARRANTS B, YOU ARE NOT REQUIRED TO DELIVER ANY DOCUMENT (INCLUDING THE RSF) TO YOUR STOCKBROKER IN RESPECT OF THE PORTION OF THE PROVISIONAL RIGHTS SHARES WITH WARRANTS B SOLD OR TRANSFERRED. YOU ARE HOWEVER ADVISED TO ENSURE THAT YOU HAVE SUFFICIENT NUMBER OF PROVISIONAL RIGHTS SHARES WITH WARRANTS B STANDING TO THE CREDIT OF YOUR CDS ACCOUNT THAT IS AVAILABLE FOR SETTLEMENT OF THE SALE OR TRANSFER.

Renouncee(s) and transferee(s) of the Provisional Rights Shares with Warrants B may obtain a copy of this Abridged Prospectus and the RSF from their stockbrokers, our Share Registrar or at our registered office. This Abridged Prospectus and the RSF are also available on Bursa Securities' website at <https://www.bursamalaysia.com>.

If you have sold or transferred only part of the Provisional Rights Shares with Warrants B, you may still accept the balance of the Provisional Rights Shares with Warrants B by completing Parts I(A) and II of the RSF and delivering the completed RSF together with the full amount payable on the balance of the Rights Shares with Warrants B applied for to our Share Registrar. Please refer to **Section 10.5** of this Abridged Prospectus for the procedures for acceptance and payment.

10.8 Procedures for application for the Excess Rights Shares with Warrants B

10.8.1 By way of RSF

If you wish to apply for additional Rights Shares with Warrants B in excess of your entitlement, you may do so by completing Part I(B) of the RSF (in addition to Parts I(A) and II). A combined remittance for the Excess Rights Shares with Warrants B can be made together with your entitlements. The completed RSF together with the payment must be received by the Share Registrar no later than **5.00 p.m. on Thursday, 22 February 2024**, being the last time and date for Excess Application and payment.

The payment must be made for the exact amount payable for the Provisional Rights Shares with Warrants B subscribed for and Excess Application. Any excess or insufficient payment may be rejected at the absolute discretion of our Board. Cheques or other mode(s) of payment not prescribed in **Section 10.5.1** of this Abridged Prospectus are not acceptable.

10.8.2 By way of electronic submission of the e-RSF

You may apply for the Excess Rights Shares with Warrants B via the electronic submission of the e-RSF in addition to your Provisional Rights Shares with Warrants B. If you wish to do so, you may apply for the Excess Rights Shares with Warrants B by following the steps as set out in **Section 10.5.2** of this Abridged Prospectus. The electronic submission of the e-RSF for Excess Rights Shares with Warrants B will be made on, and subject to, the same terms and conditions set out in **Section 10.5.2** of this Abridged Prospectus.

It is the intention of our Board to allot the Excess Rights Shares with Warrants B, if any, in a fair and equitable manner to our Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) who have applied for Excess Rights Shares with Warrants B in the following priority:-

- i. firstly, to minimise the incidence of odd lots;
- ii. secondly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares with Warrants B, calculated based on their respective shareholdings in our Company as at the Entitlement Date;
- iii. thirdly, on a pro-rata basis and in board lots, to the Entitled Shareholders who have applied for Excess Rights Shares with Warrants B, calculated based on the quantum of their respective Excess Applications; and
- iv. finally, on a pro-rata basis and in board lots, to the renouncee(s) and/ or transferee(s) (if applicable) who have applied for Excess Rights Shares with Warrants B, calculated based on the quantum of their respective Excess Rights Shares with Warrants B applied for.

In the event there is any remaining balance of the Excess Rights Shares with Warrants B after carrying out steps (i) to (iv) set out above, steps (ii) to (iv) will be repeated again in the same sequence to allocate the remaining balance of the Excess Rights Shares with Warrants B until such balance is fully allocated.

Nevertheless, our Board reserves the right to allocate any Excess Rights Shares with Warrants B applied for under Part I(B) of the RSF in such manner as our Board deems fit, expedient and in the best interests of our Company, subject always to such allocation being made on a fair and equitable basis, and that the intention of our Board as set out in step (i) to (iv) above is achieved. Our Board also reserves the right at its absolute discretion not to accept any Excess Application, in full or in part, without assigning any reason thereto.

Within 5 Market Days after the Closing Date, our Company will make the relevant announcement on Bursa Securities' website in relation to the subscription rate of the Rights Issue with Warrants and the outcome of the allocation of the Excess Rights Shares with Warrants B, if any.

APPLICATIONS ACCOMPANIED BY PAYMENT OTHER THAN IN THE MANNER STATED ABOVE OR WITH EXCESS OR INSUFFICIENT REMITTANCES MAY OR MAY NOT BE ACCEPTED AT THE ABSOLUTE DISCRETION OF OUR BOARD.

NO ACKNOWLEDGEMENT WILL BE ISSUED FOR THE RECEIPT OF THE EXCESS APPLICATION OR APPLICATION MONIES IN RESPECT THEREOF. HOWEVER, IF YOUR APPLICATION IS SUCCESSFUL, A NOTICE OF ALLOTMENT WILL BE DESPATCHED TO YOU AND/ OR YOUR RENOUNCEE(S) AND/ OR YOUR TRANSFEREE(S) BY ORDINARY POST TO THE ADDRESS AS SHOWN ON BURSA DEPOSITORY'S RECORD AT YOUR OWN RISK WITHIN 8 MARKET DAYS FROM THE CLOSING DATE OR SUCH OTHER PERIOD AS MAY BE PRESCRIBED BY BURSA SECURITIES.

APPLICATIONS FOR EXCESS RIGHTS SHARES WITH WARRANTS B SHALL NOT BE DEEMED TO HAVE BEEN ACCEPTED BY REASON OF THE REMITTANCE BEING PRESENTED FOR PAYMENT. OUR BOARD RESERVES THE RIGHT NOT TO ACCEPT ANY SUCH APPLICATION OR TO ACCEPT ANY SUCH APPLICATION IN PART ONLY WITHOUT ASSIGNING ANY REASON THEREOF.

IN RESPECT OF UNSUCCESSFUL OR PARTIALLY SUCCESSFUL APPLICATIONS FOR EXCESS RIGHTS SHARES WITH WARRANTS B, THE FULL AMOUNT OR THE SURPLUS APPLICATION MONIES, AS THE CASE MAY BE, WILL BE REFUNDED WITHOUT INTEREST. THE REFUND WILL BE MADE BY ISSUANCE OF CHEQUE AND SHALL BE DESPATCHED BY ORDINARY POST TO THE ADDRESS AS PROVIDED BY BURSA DEPOSITORY AT YOUR OWN RISK WITHIN 15 MARKET DAYS FROM THE CLOSING DATE.

10.9 Procedures for acceptance by renounee(s) and/ or transferee(s)

As a transferee and/ or renounee, the procedures for acceptance, selling or transferring of Provisional Rights Shares with Warrants B, applying for the Excess Rights Shares with Warrants B and/ or payment is the same as that which is applicable to the Entitled Shareholders as described in **Sections 10.3** to **Section 10.8** of this Abridged Prospectus. Please refer to the relevant sections for the procedures to be followed.

If you wish to obtain a copy of this Abridged Prospectus and/ or accompanying RSF, you can request the same from the registered office of our Company, the Share Registrar's website (<https://www.shareworks.com.my>) or Bursa Securities' website (<https://www.bursamalaysia.com>).

TRANSFEREES AND/ OR RENOUNCEES ARE ADVISED TO READ AND ADHERE TO THE RSF AND THE NOTES AND INSTRUCTIONS CONTAINED IN THE RSF.

10.10 Form of issuance

Bursa Securities has already prescribed the securities of our Company listed on the ACE Market of Bursa Securities to be deposited with Bursa Depository. Accordingly, the Rights Shares with Warrants B are prescribed securities and, as such, all dealings with such securities will be by book entries through CDS Accounts and shall be governed by the SICDA and the Rules of Bursa Depository. Failure to comply with these specific instructions or inaccuracy of the CDS Account number may result in your application being rejected.

Your subscription for the Rights Shares with Warrants B shall signify your consent to receiving such Rights Shares with Warrants B as deposited securities that will be credited directly into your CDS Account. No physical certificates will be issued. All Excess Rights Shares with Warrants B allotted shall be credited directly into the CDS Accounts of successful applicants.

10.11 Laws of foreign countries or jurisdictions

The Documents have not been (and will not be) made to comply with the laws of any foreign jurisdiction and have not been (and will not be) lodged, registered or approved pursuant to or under any legislation (or with or by any regulatory authorities or other relevant bodies) of any jurisdiction other than Malaysia. The Rights Issue with Warrants to which the Documents relate is only available to Entitled Shareholders receiving the Documents electronically or otherwise within Malaysia.

The Documents are not intended to be (and will not be) issued, circulated or distributed in any country or jurisdiction other than Malaysia and no action has been or will be taken to ensure that the Rights Issue with Warrants complies with the laws of any countries or jurisdictions other than the laws of Malaysia.

Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) may accept or renounce (as the case may be) all or any part of their entitlements and exercise any other rights in respect of the Rights Issue with Warrants only to the extent that it would be lawful to do so.

The Principal Adviser, our Company and our Directors and officers (collectively, the "**Parties**") would not, in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are or may be subject. Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are solely responsible to seek advice as to the laws of the jurisdictions to which they are or may be subject. The Parties do not accept any responsibility or liability in the event that any acceptance or renunciation made by any Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable), is or will become unlawful, unenforceable, voidable or void in any such jurisdiction.

Accordingly, the Documents have not been (and will not be) sent to the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) who do not have a registered address in Malaysia. However, such Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) may collect the Documents from our Share Registrar, in which event our Share Registrar will be entitled to request for such evidence as it deems necessary to satisfy itself as to the identity and authority of the person collecting the aforesaid Documents.

The Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) will be responsible for payment of any issue, transfer or any other taxes or other requisite payments due in such jurisdiction and we will be entitled to be fully indemnified and held harmless by such Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) for any issue, transfer or other taxes or duties as such person may be required to pay. The Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) will have no claims whatsoever against the Parties in respect of their rights and entitlements under the Rights Issue with Warrants. Such Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) should consult their professional advisers as to whether they require any governmental, exchange control or other consents or need to comply with any other applicable legal requirements to enable them to accept the Rights Issue with Warrants.

By signing any of the forms in the Documents, the Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are deemed to have represented, acknowledged and declared in favour of (and which representations, acknowledgements and declarations will be relied upon by) the Parties that:-

- i. the Parties would not, by acting on the acceptance or renunciation in connection with the Rights Issue with Warrants, be in breach of the laws of any jurisdiction to which those Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) are or may be subject to;
- ii. Foreign Entitled Shareholders and/ or their renouncee(s) and/ or transferee(s) (if applicable) have complied with the laws to which they are or may be subject to in connection with the acceptance or renunciation;

- iii. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are not a nominee or agent of a person in respect of whom we would, by acting on the acceptance or renunciation, be in breach of the laws of any jurisdiction to which that person is or may be subject to;
- iv. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) are aware that the Provisional Rights Shares with Warrants B can only be transferred, sold or otherwise disposed of, or charged, hypothecated or pledged in accordance with all applicable laws in Malaysia;
- v. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) have obtained a copy of this Abridged Prospectus and have had access to such financial and other information and have been afforded the opportunity to pose such questions to the Parties and receive answers thereto as they deem necessary in connection with their decision to subscribe for or purchase the Rights Shares with Warrants B; and
- vi. Foreign Entitled Shareholders and/ or their renounee(s) and/ or transferee(s) (if applicable) have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of subscribing or purchasing the Rights Shares with Warrants B, and are and will be able, and are prepared to bear the economic and financial risks of investing in and holding the Rights Shares with Warrants B.

Persons receiving the Documents (including, without limitation, custodians, nominees and trustees) must not, in connection with the offer, distribute or send it into any jurisdiction where to do so would or might contravene local securities, exchange control or relevant laws or regulations.

No person in any territory outside of Malaysia receiving this Abridged Prospectus and/ or its accompanying Documents may treat the same as an offer, invitation or solicitation to subscribe for or acquire any Rights Shares with Warrants B unless such offer, invitation or solicitation could lawfully be made without compliance with any registration or other regulatory or legal requirements in such territory.

We reserve the right, in our absolute discretion, to treat any acceptance of the Rights Shares with Warrants B as invalid, if we believe that such acceptance may violate applicable legal or regulatory requirements. The Provisional Rights Shares with Warrants B relating to any acceptance which is treated as invalid will be included in the pool of Excess Rights Shares with Warrants B available for Excess Application by the other Entitled Shareholders.

You and/ or your renounee(s) and/ or transferee(s) (if applicable) will also have no claims whatsoever against the Parties in respect of your, and/ or your renounee(s)'s and/ or transferee(s)'s entitlement under the Rights Issue with Warrants or to any net proceeds thereof.

NOTWITHSTANDING ANYTHING HEREIN, THE FOREIGN-ADDRESSED SHAREHOLDERS AND ANY OTHER PERSON HAVING POSSESSION OF THIS ABRIDGED PROSPECTUS AND/ OR ITS ACCOMPANYING DOCUMENTS ARE ADVISED TO INFORM THEMSELVES OF AND TO OBSERVE ANY LEGAL REQUIREMENTS APPLICABLE TO THEM.

11. TERMS AND CONDITIONS

The issuance of the Rights Shares pursuant to the Rights Issue with Warrants is governed by the terms and conditions set out in the Documents enclosed herewith.

12. FURTHER INFORMATION

You are advised to refer to the attached appendices for further information.

Yours faithfully,
For and on behalf of our Board
FAST ENERGY HOLDINGS BERHAD



DATO' FAIZAL BIN ABDULLAH
Independent Non-Executive Chairman

APPENDIX I - INFORMATION ON OUR COMPANY

1. SHARE CAPITAL

As at the LPD, our issued share capital is RM141,240,285 comprising 215,281,192 FEHB Shares.

2. BOARD OF DIRECTORS

The details of our Board as at the LPD are set out as follows:-

| Name | Age | Address | Nationality |
|---|-----|---|-------------|
| Dato' Faizal Bin Abdullah (Independent Non-Executive Chairman) | 53 | No. 12, Jalan Melikai, Kampung Raja Uda, 42000 Pelabuhan Klang, Selangor | Malaysian |
| Leong Lup Yan (Executive Director) | 55 | 18, Lencongan Semarak Api Sierramas, 47000 Sungai Buloh, Selangor | Malaysian |
| Tan Wye Chuan (Executive Director) | 40 | No. 21, Persiaran Tecoma Country Heights Damansara, 60000 Kuala Lumpur | Malaysian |
| Lim Tock Ooi (Non-Independent Non-Executive Director) | 77 | 12, Jalan Terasek 2, Bangsar Baru, 59100 Kuala Lumpur | Malaysian |
| Madam Lean Boon Bee (Independent Non-Executive Director) | 44 | 12-3, Radiant Tower B, Jalan Tuaran, 88450 Kota Kinabalu, Sabah | Malaysian |
| Ho Whye Shen (Independent Non-Executive Director) | 40 | 78, Jalan Birai U8/69, Seksyen U8, 40150 Shah Alam, Selangor | Malaysian |
| Tan Su Ning (Independent Non-Executive Director) | 32 | 27, Taman Sepakat, Jalan Yan, 06600 Kuala Kedah, Kedah | Malaysian |
| Dr. Chan Jee Peng (Independent Non-Executive Director) | 44 | No. 28, Jalan Hujan Batu 3, Jalan Klang Lama, 58200 Kuala Lumpur, W.P. Kuala Lumpur | Malaysian |

3. HISTORICAL SHARE PRICES

The monthly highest and lowest market prices of FEHB Shares for the past 12 months preceding the date of this Abridged Prospectus are as follows:-

| | High RM | Low RM |
|---|------------|-----------|
| 2023 | | |
| January | 0.190 | 0.125 |
| February | 0.220 | 0.150 |
| March | 0.150 | 0.125 |
| April | 0.190 | 0.125 |
| May | 0.180 | 0.125 |
| June | 0.140 | 0.085 |
| July | 0.115 | 0.085 |
| August | 0.115 | 0.095 |
| September | 0.125 | 0.100 |
| October | 0.120 | 0.105 |
| November | 0.115 | 0.105 |
| December | 0.140 | 0.095 |
| Last transacted market price of FEHB Shares as at 6 June 2023 (being the latest trading day prior to the announcement on the Corporate Exercises) | | 0.135 |
| Last transacted market price on the LPD | | 0.170 |
| Last transacted market price of FEHB Shares on 29 January 2024 (being the last Market Day immediately preceding the ex-date for the Rights Issue with Warrants) | | 0.105 |

(Source: Bloomberg)

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

4. OPTION TO SUBSCRIBE FOR FEHB SHARES

As at the LPD, save for the Warrants A, Provisional Rights Shares with Warrants B and Excess Rights Shares with Warrants B, no option to subscribe for our FEHB Shares has been granted or is entitled to be granted to anyone.

As at the LPD, FEHB does not have any outstanding ESOS Options granted but yet to be exercised.

5. MATERIAL CONTRACTS

Save for the following, our Group has not entered into any material contracts (not being contracts entered into in the ordinary course of business) within the 2 years preceding the date of this Abridged Prospectus:-

- a. Deed Poll B;
- b. sponsorship agreement dated 24 May 2023 between Badminton Association of Malaysia and FTSB in respect of an intention to collaborate as well as cash sponsorship of RM1,500,000 for a period from 24 May 2023 to 23 May 2024 in accordance to the terms and conditions therein contained. FTSB had formally requested the amicable mutually termination of the sponsorship agreement via a letter dated 24 July 2023. As at LPD, the response from Badminton Association of Malaysia is still pending;
- c. share sale agreement dated 18 May 2022 between Mohd Faizul bin Nasir as vendor and FEHB as purchaser in relation to the acquisition of 35% equity interest in Fast Marine for a total purchase consideration of RM28,000,000 which was satisfied via a combination of RM23,972,660 in cash and the remaining RM4,027,340 via the issuance of 11,800,000 FEHB Shares at the issue price of RM0.3413 per Share upon terms and conditions therein contained. The Acquisition was completed on 2 December 2022; and
- d. share sale agreement dated 12 May 2022 between FEHB as vendor and Tan Cheik Eaik as purchaser in relation to the disposal of 100% equity interest in Cape Technology Sdn Bhd to Tan Cheik Eaik for a total cash consideration of RM8,000,000.00 upon terms and conditions therein contained. The disposal was completed on 2 September 2022.

6. MATERIAL LITIGATION, CLAIMS OR ARBITRATION

As at the LPD, our Group is not engaged in any material litigation, claims and/ or arbitration, either as plaintiff or defendant, and our Board confirms that there are no other proceedings pending or threatened against our Group, or of any facts likely to give rise to any proceedings, which might materially or adversely affect the financial position or business of our Group.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

7. KEY FINANCIAL INFORMATION

Our audited consolidated financial information for the past 3 financial years up to the FYE 31 December 2022 and our most recent announced unaudited interim consolidated financial information for the 9-month FPE 30 September 2023 together with the relevant notes are disclosed in the following documents which have been published on the website of Bursa Securities at <https://www.bursamalaysia.com>:-

| | Pages |
|---|--------------|
| Our annual report for the FYE 31 December 2020 | |
| Statements of financial position | 48-49 |
| Statements of comprehensive income | 50-51 |
| Statements of changes in equity | 52-53 |
| Statements of cash flows | 54-56 |
| Notes to the financial statements | 57-97 |
| Our annual report for the FYE 31 December 2021 | |
| Statements of financial position | 41-42 |
| Statements of comprehensive income | 43-44 |
| Statements of changes in equity | 45-46 |
| Statements of cash flows | 47-49 |
| Notes to the financial statements | 50-100 |
| Our annual report for the FYE 31 December 2022 | |
| Statements of financial position | 49-50 |
| Statements of comprehensive income | 51-53 |
| Statements of changes in equity | 54-55 |
| Statements of cash flows | 56-58 |
| Notes to the financial statements | 59-118 |
| Our quarterly report for the 9-month FPE 30 September 2023 | |
| Statements of financial position | 3 |
| Statements of comprehensive income | 2 |
| Statements of changes in equity | 4 |
| Statements of cash flows | 5 |
| Notes to the financial statements | 6-16 |

The following table sets out a summary of our Group's key financial information based on past 3 financial years up to the FYE 31 December 2022 and our most recent announced unaudited interim 9-month FPE 30 September 2023 of comprehensive income, statements of financial position and statement of cash flows for the financial years and periods under review:-

7.1 Historical financial performance

| | <-----Audited-----> | | | <Unaudited> |
|---|--------------------------------------|--------------------------------------|---------------------------------------|--|
| | FYE 31 December 2020 RM'000 | FYE 31 December 2021 RM'000 | FYE 31 December 2022* RM'000 | 9-month FPE 30 September 2023* RM'000 |
| Revenue | 22,284 | 175,518 | 272,053 | 275,211 |
| PBT/ (LBT) | 2,513 | (3,513) | (2,992) | (3,461) |
| PAT/ (LAT) | 1,291 | (3,696) | (3,546) | (3,917) |
| EPS/ (LPS) (sen) | 0.56 | (0.90) | (2.69) | (1.82) |
| Total interest-bearing borrowings | - | - | 4,064 | 3,250 |
| Total fixed deposits, cash and bank balances | 18,098 | 11,372 | 9,603 | 5,035 |
| Net cash generated from/ (used in) operating activities | 1,313 | (61,281) | (411) | (8,083) |
| Shareholders' funds/ NA | 37,361 | 108,515 | 123,063 | 124,587 |

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

| | <-----Audited-----> | | | <Unaudited> |
|---|--------------------------------------|--------------------------------------|---------------------------------------|--|
| | FYE 31 December 2020 RM'000 | FYE 31 December 2021 RM'000 | FYE 31 December 2022* RM'000 | 9-month FPE 30 September 2023* RM'000 |
| Weighted average no. of Shares outstanding ('000) | 228,879 | 411,773 | 131,867 | 215,281 |
| NA per Share (RM) | 0.16 | 0.26 | 0.93 | 0.58 |
| Gearing ratio (times) | - | - | 0.03 | 0.03 |

Note:-

- * For clarification purposes, the financial information extracted from the audited financial statement for the FYE 31 December 2022 and the unaudited quarterly results for the 9-month FPE 30 September 2023 have excluded the discontinued operations and will only reflect the ongoing operations of FEHB Group as at the LPD. The discontinued operations are related to the cessation of our Company's mould cleaning rubber sheets and self-clinching fastener business segments. This followed the disposal of wholly-owned subsidiary company, namely Cape Technology Sdn Bhd, which was completed on 2 September 2022 and the disposals of subsidiary companies Oriem Technology Sdn Bhd and Techfast Precision Sdn Bhd, both of which were completed during the financial year ended 31 December 2021.

FYE 31 December 2020

For the FYE 31 December 2020, our Group recorded revenue of RM22.28 million which represents a decrease of RM7.25 million or 24.55% as compared to the preceding financial year of RM29.53 million. The decrease in revenue was mainly attributable to the declining trend and demand for fasteners and precision turned parts, due to the advancements in the assembly process of computers and televisions. These resulted in lower production efficiency as evident by the decreasing profits recorded during the financial year under review.

Our Group recorded PBT of RM2.51 million for the FYE 31 December 2020 which represents a decrease of RM2.50 million or 49.90% as compared to the preceding financial year of RM5.01 million. The lower PBT for the FYE 31 December 2020 was mainly due to the decrease in demand and sales of self-clinching fasteners due to stiff competition from China coupled with increase in cost of compliance incurred to implement safety and standard operating procedures at our office and manufacturing premises to combat COVID-19 outbreak.

FYE 31 December 2021

For the FYE 31 December 2021, our Group recorded revenue from continuing operations of RM175.52 million which represents an increase of RM153.24 million or 687.79% as compared to the preceding financial year of RM22.28 million. The increase in revenue was mainly attributed to the Petroleum Trading Business which reported a full year's operations compared the preceding year, when it had just commenced operations in mid-December 2020. The increase in revenue was mainly attributable to the turnover from the Petroleum Trading Business from a supply agreement contract for the supply of low sulphur fuel oil, low sulphur marine gasoil and high sulphur fuel oil for a period of 3 years commencing from 12 April 2021.

Our Group recorded LBT of RM3.51 million for the FYE 31 December 2021 which represents an increase in LBT as compared to the PBT of RM2.51 million or 239.84% in the preceding financial year. The higher LBT for the FYE 31 December 2021 was mainly due to higher overhead operating expenses amounting to approximately RM3.01 million (FYE 31 December 2020: RM0.63 million). This includes one-off professional fees and regulatory fees for corporate exercises (i.e. private placement, rights issue and the acquisition of Fast Marine's initial 35% equity interest) of approximately RM0.66 million and share options vested of approximately RM0.09 million.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

For shareholders' information, as mentioned above, our Company had undertaken the following corporate exercises:-

- i. private placement of 75,288,900 new FEHB Shares, representing approximately 30% of the total issued shares of FEHB at an issue price of RM0.375 per FEHB Share to the identified investors, the private placement was subsequently completed on 23 March 2021; and
- ii. acquisition of 175,000 ordinary shares in Fast Marine, representing 35% equity interest in Fast Marine from Kuah Choon Ching for a purchase consideration of RM26,250,000 to be satisfied via a combination of RM16,170,000 in cash and RM10,080,000 via the issuance of 23,441,860 new FEHB Shares at an issue price of RM0.43 per FEHB Share, the acquisition was subsequently completed on 24 March 2021.

The details of the private placement and acquisition are set out in the announcement dated 6 January 2021 and the circular to shareholders dated 24 February 2021.

- iii. renounceable rights issue of up to 909,204,618 new FEHB Shares on the basis of 1 rights share for every 1 existing FEHB Share held, together with up to 454,602,309 Warrants A on the basis of 1 Warrant A for every 2 rights shares subscribed for. The rights issue was subsequently completed on 17 December 2021.

The details of the rights issue are set out in the announcement dated 14 April 2021 and (supplemented by an additional announcement on 24 May 2021) the Abridged Prospectus to shareholders dated 16 July 2021.

FYE 31 December 2022

For the FYE 31 December 2022, our Group recorded revenue of RM272.05 million which represents an increase of RM96.53 million or 55.00% as compared to the preceding financial year of RM175.52 million. The increase in revenue was mainly attributed to the revenue recorded in the Petroleum Trading Business which included the consolidation of results from Fast Marine business.

For shareholders' information, FEHB had completed the acquisition of the first 35% equity interest in Fast Marine on 24 March 2021. During of which, Fast Marine was only deemed as an associate for the FYE 31 December 2021. Subsequently, Fast Marine became a 70%-owned subsidiary of our Group after the completion of the acquisition of another 35% equity interest in Fast Marine announced on 2 December 2022. As such, the results of Fast Marine were consolidated in the Group's results for the FYE 31 December 2022.

Our Group recorded LBT of RM2.99 million for the FYE 31 December 2022 which represents a decrease of RM0.52 million or 14.81% as compared to the preceding financial year of RM3.51 million. The lower LBT for the FYE 31 December 2022 was mainly due to net foreign exchange gain during the year of RM1.98 million (FYE 31 December 2021: RM0.86 million).

9-month FPE 30 September 2023

For the 9-month FPE 30 September 2023, our Group recorded revenue of RM275.21 million which represents an increase of RM80.14 million or 41.08% as compared to the 9-month FPE 30 September 2022 of RM195.07 million. The increase in revenue was mainly attributed to the Petroleum Trading Business, which included the consolidation of revenue from now 70%-owned subsidiary company, namely Fast Marine (in the preceding financial year, Fast Marine was an 35%-owned associate of our Company). The increase in our Group revenue was also attributable to the Consumer Electronics Business that started operations on 28 March 2023.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

Our Group recorded LBT of RM3.46 million for the 9-month FPE 30 September 2023 which represents a decrease of RM3.59 million as compared to PBT of the preceding financial period of RM0.13 million. The LBT recorded during the 9-month FPE 30 September 2023 was mainly due to the Consumer Electronics Business recording a net loss as a result of higher promotional and marketing costs, operating and traveling expenses amounting to approximately RM4.02 million. For information purposes, the promotional and marketing costs, operating and traveling expenses were only incurred by our Group after the incorporation of FTSB on 10 February 2023. Accordingly, our Group only recognised 8 months of revenue and LBT contribution from the Consumer Electronics Business during the 9-month FPE 30 September 2023.

7.2 Historical financial position

| | <-----Audited-----> | | | <Unaudited> |
|---|--------------------------------------|--------------------------------------|--------------------------------------|---|
| | FYE 31 December 2020 RM'000 | FYE 31 December 2021 RM'000 | FYE 31 December 2022 RM'000 | 9-month FPE 30 September 2023 RM'000 |
| Non-current assets | 8,219 | 42,314 | 68,511 | 69,045 |
| Current assets | 34,899 | 81,043 | 71,203 | 88,111 |
| Total assets | 43,118 | 123,357 | 139,714 | 157,156 |
| Share capital | 39,920 | 116,754 | 135,799 | 141,240 |
| Reserves | (2,559) | (8,239) | (12,737) | (16,653) |
| Total equity attributable to owners of our Company | 37,361 | 108,515 | 123,063 | 124,587 |
| Non-current liabilities | 868 | 1,107 | 2,064 | 1,303 |
| Current liabilities | 4,889 | 13,735 | 13,216 | 29,954 |
| Total liabilities | 5,757 | 14,842 | 15,280 | 31,257 |
| Total liabilities and equity | 43,118 | 123,357 | 139,714 | 157,156 |
| Shareholders' funds/ NA | 37,361 | 108,515 | 123,063 | 124,587 |
| NA per Share (RM) | 0.16 | 0.26 | 0.93 | 0.58 |

7.3 Historical cash flows

| | <-----Audited-----> | | | <Unaudited> |
|---|--------------------------------------|--------------------------------------|--------------------------------------|---|
| | FYE 31 December 2020 RM'000 | FYE 31 December 2021 RM'000 | FYE 31 December 2022 RM'000 | 9-month FPE 30 September 2023 RM'000 |
| Net cash generated from/ (used in) | | | | |
| Operating activities | 1,313 | (61,281) | (411) | (8,083) |
| Investing activities | (43) | (21,817) | (19,544) | (151) |
| Financing activities | 7,728 | 76,315 | 17,005 | 2,235 |
| Net increase/(decrease) in cash and cash equivalents | 8,998 | (6,782) | (2,951) | (5,999) |
| Effects of foreign exchange rate changes | 1 | 355 | 749 | 1,424 |
| Cash and cash equivalents at beginning of the financial year/ period | 8,729 | 17,728 | 11,301 | 9,100 |
| Cash and cash equivalents at end of the financial year/ period | 17,728 | 11,301 | 9,100 | 4,525 |

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

7.4 Value creation and impact of the Rights Issue with Warrants to our Group and the shareholders of FEHB

As set out in **Section 4** of this Abridged Prospectus, the proceeds raised from the Rights Issue with Warrants will mainly facilitate our Group to finance the business expansion and the working capital requirements for its existing Petroleum Trading Business as well as the new Consumer Electronics Business without relying solely on internally generated funds and/ or bank borrowings, which will allow our Group flexibility in respect of financial allocations for its operational requirements. Such financial flexibility may allow our Group to carry out its operations in a more timely and efficient manner.

Based on the above, our Board is of the view that the intended utilisation of the proceeds from the Rights Issue with Warrants is expected to contribute positively to the future earnings of our Group and in turn, this would lead to an improvement in our Group's financial position and enhancement in shareholders' value.

The effects of the Rights Issue with Warrants on the issued share capital, substantial shareholding structure, the NA and gearing, earnings and EPS of our Group are disclosed in **Section 8** of this Abridged Prospectus.

Based on the issue price of RM0.09 per Rights Share, the Rights Issue with Warrants is expected to raise gross proceeds of up to RM2.00 million under the Minimum Scenario. The Rights Issue with Warrants is expected to result in the following effects:-

| | I | II | III |
|------------------------------|---|---|---|
| | Subsequent adjustments up to LPD | After the Rights Issue with Warrants | After II and assuming full exercise of Warrants B |
| | Audited as at 31 December 2022 | | |
| Issued share capital | RM135,799,156 comprising 187,216,675 Shares | RM141,240,285 comprising 215,281,192 Shares | RM142,916,952 comprising 237,503,415 Shares ^{*1} |
| | | | RM144,240,285 comprising 248,614,526 Shares ^{*2} |
| Current assets | RM71.20 million | RM71.20 million | RM72.30 million ^{*1} |
| Current liabilities | RM13.22 million | RM13.22 million | RM13.22 million |
| Current ratio | 5.39 times | 5.39 times | 5.47 times |
| NA | RM123.06 million | RM124.98 million | RM126.40 million ^{*1} |
| NA per Share (RM) | 0.66 | 0.58 | 0.53 |
| Gearing ratio (times) | 0.04 | 0.04 | 0.04 |

Notes:-

*1 Computed based on the subscription of 22,222,223 Rights Shares at the issue price of RM0.09 per Rights Share pursuant to the Rights Issue with Warrants and after deducting the estimated expenses of approximately RM0.58 million in relation to the Rights Issue with Warrants and adjusted for the apportionment of its relative fair value between the share capital account and the warrant reserve account, and the recognition of 11,111,111 Warrants B at the theoretical fair value of RM0.0291 per Warrant B based on the trinomial option pricing model as extracted from Bloomberg as at the LPD

*2 Assuming 11,111,111 Warrants B are exercised at the exercise price of RM0.09 per Warrant B

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

The Rights Issue with Warrants, which is expected to be completed in the first quarter of 2024, is not expected to have any material effect on the earnings and EPS of our Group for the FYE 31 December 2024. However, there will be a dilutive effect on the EPS of our Group for the FYE 31 December 2024 due to the increase in the number of FEHB Shares in issue pursuant to the Rights Issue with Warrants. Notwithstanding that, the proceeds from the Rights Issue with Warrants are expected to contribute positively to the earnings of our Group for the ensuing financial years, when the benefits of the utilisation of proceeds are realised.

7.5 Adequacy of the Rights Issue with Warrants in addressing our Group's financial concerns and steps taken to improve the financial condition of our Group

For the latest FYE 31 December 2022, our Group's cash and cash equivalents stood at RM9.10 million. In addition, our Group recorded improving revenue from RM175.52 million and RM272.05 million for the past 2 financial years up to the FYE 31 December 2022, respectively and RM275.21 million for the latest unaudited 9-month FPE 30 September 2023.

At this juncture, our management is of the view that our Group's primary financial concern is the LAT recorded for the past 2 financial years up to the latest audited FYE 31 December 2022 and for the latest unaudited 9-month FPE 30 September 2023.

Accordingly, to address our Group's financial concern, our management has undertaken the following:-

- i. our Group had raised gross proceeds of approximately RM3.84 million from Private Placement I with the issuance of 68,477,496 Shares, which was completed on 13 May 2022. As highlighted in **Section 2.6.1** of this Abridged Prospectus, the proceeds raised were utilised for the working capital of our Group (i.e. Petroleum Trading Business) to fund Contract II, which is expected to contribute positively to the future performance of our Group. As at the LPD, the estimated remaining value for Contract II is approximately RM243.72 million while Contract I and Contract III are dependent on the conditions precedent being fulfilled and market conditions which are expected to commence on the first quarter of 2025;
- ii. our Group had raised gross proceeds of approximately RM5.19 million from Private Placement II with the issuance of 52,518,966 Shares, which was completed on 13 December 2022. As highlighted in **Section 2.6.2** of this Abridged Prospectus, the proceeds raised were utilised for the Acquisition which allowed our Group to recognise higher percentage of PAT from Fast Marine in view that the profits to be generated by Fast Marine will be consolidated into FEHB Group. Further, the Acquisition also provides our Company access to a broad network presence in major ports across the Association of Southeast Asian Nations (ASEAN) region. For the FYE 31 December 2022, the Petroleum Trading Business had recorded a revenue of RM271.77 million, whereby Fast Marine contributed approximately RM4.06 million revenue to our Group since it became a subsidiary of FEHB; and
- iii. on 30 August 2022, our Company obtained shareholders' approval for the Acquisition, which is expected to contribute positively to our Group's future earnings premised on the profit guarantee provided by Mohd Faizul bin Nasir to FEHB for the 12-month financial year ending FYE 31 December 2023, of which the total profit attributable to FEHB is RM1,750,000 pursuant to the Acquisition. Further, the acquisition of additional equity interest in Fast Marine is expected to allow our Group to recognise a higher percentage of PAT from Fast Marine. For information purpose, Fast Marine is a 35%-owned associate company of FEHB before the Acquisition. Upon completion of the Acquisition, FEHB holds 70% equity interest in Fast Marine.

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

Further, our Group has earmarked approximately up to RM21.22 million of the proceeds from the Rights Issue with Warrants to support the development of the Petroleum Trading Business and Consumer Electronics Business of our Group in respect of which our Group is presently focused on improving the administrative, operational and sales and marketing capabilities and efficiency. Our Board anticipates that our Group is expected to turnaround its business for the FYE 31 December 2023, in view that its Petroleum Trading Business has recorded PAT of RM3.58 million during the 9-month FPE 30 September 2023 after incurring loss for the past 2 financial years and as the Consumer Electronics Business segment ramps up or expand, it will from time to time require more funding for its enlarged operations. As such, to support the intended growth of the business segment, our Board has earmarked up to approximately RM10.61 million of the proceeds from the Rights Issue with Warrants to fund its working capital requirements for the Petroleum Trading Business and Consumer Electronics Business accordingly.

Premised on the above, and as part of our Group's objective to improve its overall financial performance moving forward, the Rights Issue with Warrants will, on an immediate basis, allow our Group to raise funds on an expeditious manner to improve the market share of its products. As stated in **Section 7.5** of this Abridged Prospectus, the marketing plan undertaken by our Company will lead to an increased adoption rate, enhancing our Group's market presence and customer base for its Consumer Electronics Business. Consequently, it will broaden its product market share. Barring any unforeseen circumstances, our Board is of the view that the Rights Issue with Warrants is expected to place our Group on a better financial footing and potentially generate positive returns to our Group, and in turn be adequate to turnaround the financial condition of our Group as well as to grow and further improve the financial performance of our Group moving forward. In the long term, our Board will continue to assess our Group's funding requirements and financial performance which may include the need of carrying out other corporate proposals, after taking into consideration our Group's capital structure and cost of funds.

8. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The pro forma effects of the Rights Issue with Warrants on the substantial shareholders' shareholdings of our Company as at the LPD are set out below:-

Minimum Scenario

| | Shareholdings as at the LPD | | | | I After the Rights Issue with Warrants | | | |
|---------------------------------|-----------------------------|-----------------|--------------------|-----------------|---|-----------------|------------------|-----------------|
| | <-----Direct-----> | | <----Indirect----> | | <-----Direct-----> | | <----Indirect--> | |
| | No. of Shares | % ^{*1} | No. of Shares | % ^{*1} | No. of Shares | % ^{*2} | No. of Shares | % ^{*2} |
| Tan Wye Chuan | 350,000 | 0.16 | - | - | 22,572,223 | 9.50 | - | - |
| Sanston Financial Group Limited | 24,240,600 | 11.26 | - | - | 24,240,600 | 10.21 | - | - |

| | II After I and the assuming full exercise of the Warrants B | | | |
|---------------------------------|--|-----------------|--------------------|-----------------|
| | <-----Direct-----> | | <----Indirect----> | |
| | No. of Shares | % ^{*3} | No. of Shares | % ^{*3} |
| Tan Wye Chuan | 33,683,334 | 13.55 | - | - |
| Sanston Financial Group Limited | 24,240,600 | 9.75 | - | - |

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

Notes:-

- *1 Based on the total issued shares of 215,281,192 of our Company as at the LPD
- *2 Based on the enlarged issued shares of 237,503,415 of our Company after the Rights Issue with Warrants
- *3 Based on the enlarged issued shares of 248,614,526 of our Company after the full exercise of Warrants B

Maximum Scenario

| | Shareholdings as at the LPD | | | | I Assuming all of the Warrants A and ESOS options are exercised | | | |
|---------------------------------|------------------------------------|------------|-----------------------------------|------------|--|------------|-----------------------------------|------------|
| | <-----Direct-----> | | <-----Indirect-----> | | <-----Direct-----> | | <-----Indirect-----> | |
| | No. of Shares | %*1 | No. of Shares | %*1 | No. of Shares | %*2 | No. of Shares | %*2 |
| Tan Wye Chuan | 350,000 | 0.16 | - | - | 350,000 | 0.14 | - | - |
| Sanston Financial Group Limited | 24,240,600 | 11.26 | - | - | 24,240,600 | 10.01 | - | - |

| | II After I and the Rights Issue with Warrants | | | | III After II and the assuming full exercise of the Warrants B | | | |
|---------------------------------|--|------------|-----------------------------------|------------|--|------------|-----------------------------------|------------|
| | <-----Direct-----> | | <-----Indirect-----> | | <-----Direct-----> | | <-----Indirect-----> | |
| | No. of Shares | %*3 | No. of Shares | %*3 | No. of Shares | %*4 | No. of Shares | %*4 |
| Tan Wye Chuan | 700,000 | 0.14 | - | - | 875,000 | 0.14 | - | - |
| Sanston Financial Group Limited | 48,481,200 | 10.01 | - | - | 60,601,500 | 10.01 | - | - |

Notes:-

- *1 Based on the total issued shares of 215,281,192 of our Company as at the LPD
- *2 Based on the enlarged issued shares of 242,192,937 of our Company after the full exercise of Warrants A and ESOS options
- *3 Based on the enlarged issued shares of 484,385,874 of our Company after the Rights Issue with Warrants
- *4 Based on the enlarged issued shares of 605,482,342 of our Company after the full exercise of Warrants B

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

9. DIRECTORS' SHAREHOLDINGS

The pro forma effects of the Rights Issue with Warrants on our Directors' shareholdings of our Company as at the LPD are set out below:-

Minimum Scenario

| Directors | Shareholdings as at the LPD | | | | I After the Rights Issue with Warrants | | | |
|---------------------------|-----------------------------|------|----------------------|-----|---|------|----------------------|-----|
| | <-----Direct-----> | | <-----Indirect-----> | | <-----Direct-----> | | <-----Indirect-----> | |
| | No. of Shares | %*1 | No. of Shares | %*1 | No. of Shares | %*2 | No. of Shares | %*2 |
| Dato' Faizal Bin Abdullah | - | - | - | - | - | - | - | - |
| Leong Lup Yan | - | - | - | - | - | - | - | - |
| Tan Wye Chuan | 350,000 | 0.16 | - | - | 22,572,223 | 9.50 | - | - |
| Lim Tock Ooi | - | - | - | - | - | - | - | - |
| Madam Lean Boon Bee | - | - | - | - | - | - | - | - |
| Ho Whye Shen | - | - | - | - | - | - | - | - |
| Tan Su Ning | - | - | - | - | - | - | - | - |
| Dr. Chan Jee Peng | - | - | - | - | - | - | - | - |

| Directors | II After I and assuming full exercise of the Warrants B | | | |
|---------------------------|--|-------|----------------------|-----|
| | <-----Direct-----> | | <-----Indirect-----> | |
| | No. of Shares | %*3 | No. of Shares | %*3 |
| Dato' Faizal Bin Abdullah | - | - | - | - |
| Leong Lup Yan | - | - | - | - |
| Tan Wye Chuan | 33,683,334 | 13.55 | - | - |
| Lim Tock Ooi | - | - | - | - |
| Madam Lean Boon Bee | - | - | - | - |
| Ho Whye Shen | - | - | - | - |
| Tan Su Ning | - | - | - | - |
| Dr. Chan Jee Peng | - | - | - | - |

Notes:-

*1 Based on the total issued shares of 215,281,192 of our Company as at the LPD

*2 Based on the enlarged issued shares of 237,503,415 of our Company after the Rights Issue with Warrants

*3 Based on the enlarged issued shares of 248,614,526 of our Company after the full exercise of Warrants B

APPENDIX I - INFORMATION ON OUR COMPANY (CONT'D)

Maximum Scenario

| | Shareholdings as at the LPD | | | | I Assuming all of the Warrants A and ESOS options are exercised | | | |
|------------------------------|---|------|----------------------|-----|--|------|----------------------|-----|
| | <-----Direct-----> | | <-----Indirect-----> | | <-----Direct-----> | | <-----Indirect-----> | |
| | No. of Shares | %*1 | No. of Shares | %*1 | No. of Shares | %*2 | No. of Shares | %*2 |
| Dato' Faizal Bin Abdullah | - | - | - | - | - | - | - | - |
| Leong Lup Yan | - | - | - | - | - | - | - | - |
| Tan Wye Chuan | 350,000 | 0.16 | - | - | 350,000 | 0.14 | - | - |
| Lim Tock Ooi | - | - | - | - | - | - | - | - |
| Madam Lean Boon Bee | - | - | - | - | - | - | - | - |
| Ho Whye Shen | - | - | - | - | - | - | - | - |
| Tan Su Ning | - | - | - | - | - | - | - | - |
| Dr. Chan Jee Peng | - | - | - | - | - | - | - | - |
| | II After I and the Rights Issue with Warrants | | | | III After II and the assuming full exercise of the Warrants B | | | |
| | <-----Direct-----> | | <-----Indirect-----> | | <-----Direct-----> | | <-----Indirect-----> | |
| | No. of Shares | %*3 | No. of Shares | %*3 | No. of Shares | %*4 | No. of Shares | %*4 |
| Dato' Faizal Bin Abdullah | - | - | - | - | - | - | - | - |
| Leong Lup Yan | - | - | - | - | - | - | - | - |
| Tan Wye Chuan | 700,000 | 0.14 | - | - | 875,000 | 0.14 | - | - |
| Lim Tock Ooi | - | - | - | - | - | - | - | - |
| Madam Lean Boon Bee | - | - | - | - | - | - | - | - |
| Ho Whye Shen | - | - | - | - | - | - | - | - |
| Tan Su Ning | - | - | - | - | - | - | - | - |
| Dr. Chan Jee Peng | - | - | - | - | - | - | - | - |

Notes:-

- *1 Based on the total issued shares of 215,281,192 of our Company as at the LPD
- *2 Based on the enlarged issued shares of 242,192,937 of our Company after the full exercise of Warrants A and ESOS options
- *3 Based on the enlarged issued shares of 484,385,874 of our Company after the Rights Issue with Warrants
- *4 Based on the enlarged issued shares of 605,482,342 of our Company after the full exercise of Warrants B

APPENDIX II - ADDITIONAL INFORMATION

1. CONSENTS

Our Principal Adviser, company secretaries, the due diligence solicitors, our Share Registrar, Protégé Associates Sdn Bhd and Bloomberg have given and have not subsequently withdrawn their written consents for the inclusion in this Abridged Prospectus of their name and all reference thereto in the form and context in which they appear in this Abridged Prospectus.

2. DOCUMENTS FOR INSPECTION

Copies of the following documents are available for inspection at our registered office at B-21-1, Level 21, Tower B Northpoint Mid Valley City No. 1, Medan Syed Putra Utara 59200 Kuala Lumpur Wilayah Persekutuan during normal business hours from Mondays to Fridays (except public holidays) for a period of 6 months from the date of this Abridged Prospectus:-

- i. the Constitution of our Company;
- ii. the irrevocable and unconditional undertaking letter dated 7 June 2023 as referred to in **Section 3** of this Abridged Prospectus;
- iii. the Independent Market Researcher Report as referred to in **Section 7** of this Abridged Prospectus;
- iv. letters of consent as referred to in **Section 1** of Appendix II of this Abridged Prospectus; and
- v. the material contracts as referred to in **Section 5** of Appendix I of this Abridged Prospectus.

3. RESPONSIBILITY STATEMENT

Our Board has seen and approved this Abridged Prospectus together with the accompanying NPA and RSF. They collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries and to the best of their knowledge and belief, there are no false or misleading statements or other facts which if omitted, would make any statement in the Documents false or misleading.

UOBKH, being the Principal Adviser for the Rights Issue with Warrants, acknowledges that, based on all available information and to the best of their knowledge and belief, this Abridged Prospectus constitutes a full and true disclosure of all material facts concerning the Rights Issue with Warrants.